



# ***Daily Report***

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# **Latin America**

FBIS-LAT-94-234  
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6 December 1994

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# Daily Report

## Latin America

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### **Caricom Favors Cuban Inclusion in Miami Summit**

FL0612013994 Bridgetown CANA in English 2033  
GMT 5 Dec 94

[By Rickey Singh]

[FBIS Transcribed Text] Bridgetown, Barbados, Dec. 5, CANA—As Caribbean Community (Caricom) leaders prepare to leave Thursday for the three-day Summit of the Americas, December 9-11, the region's non-government organisations have announced some of their own proposals for the Summit agenda. The proposals, reflecting concerns expressed at preparatory meetings for the Summit through the Barbados-based Caribbean Policy Development Centre (CPDC), listed seven specific suggestions for action.

Among these, as disclosed in a document submitted to the Caricom secretariat and the chairman of Caricom, prime minister Owen Arthur of Barbados, and made available to CANA, are:

Creation of a hemispheric-wide Structural Development Fund (SDF); a special regime to locate and facilitate repatriation of "flight capital back to country of origin"; debt forgiveness linked to "ecologically sound development programmes and poverty reduction."

The CPDC also wants the Caricom heads of government to seek a hemispheric regime to control "floating interest rates" to keep them in line with real economic growth.

An umbrella organisation of 22 NGO's, the CPDC is suggesting reopening the "search" for a New Hemispheric Information Order (NHIO) that "democratises and makes accessible vital information in all areas of productive and cultural activities to the countries of the hemisphere."

Establishment of a hemispheric regime "to oblige" transnational corporations to fully meet the ecological costs of their production activities, now being met by poor countries, is another recommendation of the organisation.

And it is calling for the immediate cessation of the "militarisation of space" as well as an end to the production and testing of biological, chemical, toxic, and nuclear weapons and the "unjustifiable and unsafe generation, dumping, transit, and incineration of wastes, toxic or non-toxic, in this hemisphere."

In a brief appraisal of hemispheric policies, the CPDC said the Caribbean NGO's "find it impossible to accept any argument for the non-participation of Cuba in the Summit." According to the region's NGO's, Cuba, "by conscious design and by happenstance now meets all the criteria originally set by the USA for resumption of diplomatic relations" between the two countries.

The seven-page document from the CPDC, submitted prior to the November 17-18 Caricom Summit in

Jamaica, also noted the number of areas of shared views and commitment by the region's governments and community of NGO's. For instance, the CPDC document supports that Caricom's positions for "fair rules" in open markets be included in any interim trade programme and consideration of the "free movement of labour" in any hemispheric free trade plan.

Caribbean NGO's also "strongly support" Caricom's proposal that the draft "Plan of Action" for approval at the Summit of the Americas for "support mechanisms" for the development, strengthening, and promotion of micro-enterprises and small businesses.

On the environment, sustainable development, and biodiversity, the CPDC document states the region's NGO's would like to see emerge from the summit, "clear evidence of a strong continuity of commitment and financial support from Rio (Brazil) to Bridgetown to Miami and beyond ...."

The coordinator of CPDC, Joan French, said that she had received from the Caricom secretariat, which had been requested to circulate the CPDC's document, the relevant communique and materials from last month's two-day informal Caricom Summit in Jamaica.

"We are now looking forward," she said, "to being invited to have a direct regional NGO presence at the Miami summit, in accordance with the spirit of the collaborative approach in preparatory meetings for the Summit."

### **Chilean-Mercosur Talks Produce No Progress on Tariffs**

PY0512215894 Madrid EFE in Spanish 1543 GMT  
2 Dec 94

[FBIS Translated Text] Santiago, 2 Dec (EFE)—It was reported here today that the third official meeting between Chile and the Common Market of the South, Mercosur, which was held in Montevideo, Uruguay, this week, ended with no concrete progress on tariff reduction.

There was achievement, however, because the Mercosur (which is comprised of Argentina, Brazil, Paraguay, and Uruguay) released for the first time the preliminary text of the Economic Complementation Agreement (ACE) being negotiated between the two parties.

Juan Salazar, director of international economic relations of the Chilean Foreign Ministry, explained that the release of the document is an important achievement because in the previous meetings "only ideas on the agreement were discussed and now there is a text."

The document refers to regulations and includes issues related to tariffs, services, investments, transportation, and physical integration. Chile will respond with its own offer.

Salazar said the main obstacle in the negotiations continues to be the problem of tariffs, defining the terms for tariff reduction and preparing the list of products on which there are still no agreements.

Salazar said: "Mercosur maintains a policy of a slow and gradual reduction, while Chile prefers a quicker process for reaching the zero tariff level."

Salazar said the progress is slow because Mercosur has still not defined the common external tariff.

He said Chile is very calm about the negotiations. He added: "We have a deadline and we do not want to rush. As long as Mercosur does not define its external tariff, we cannot prepare the lists, and this is why we have devoted

more time to the ideas and work on the preliminary text, in order to have general ideas on the issues that should be included."

The negotiations between Chile and Mercosur members began on 9 September in Montevideo after Mercosur accepted the Chilean proposal for negotiating a 10-year trade agreement.

The second meeting was held on 9 October, also in Montevideo; during this session, Chile officially presented the proposal for a partial tariff reduction leading to zero within 10 years based on four lists of products.

Trade between Chile and the four Mercosur countries in 1993 totaled \$2.848 billion, with Chilean exports accounting for \$1.088 billion of this amount.

## Cuba

### Castro Considers Exclusion From Miami Summit 'Great Honor'

PA061204494 Havana PRENSA LATINA in Spanish  
0336 GMT 6 Dec 94

[FBIS Translated Text] Havana, 5 Dec (PL)—Cuban President Fidel Castro said on 5 November that it is a great honor for his country to be excluded from the hemispheric summit in Miami convened by the United States.

We are rebels, and this is not a summit for rebels, the head of state said during a speech given at the opening of the Molecular Immunology Center [Centro de Inmunologia Molecular], located on the outskirts of this capital.

Castro said that if Cuba had been invited, it would have had to attend anyway so "they would not think we were afraid of the Fascist mafia," alluding to the counterrevolutionary groups settled in Florida.

Fidel Castro mentioned the media reports which place Floridian cities among the world's highest in crime. He added that he really is more at ease at meetings such as this one with scientists and builders, which he prefers over 100 Miami summits.

We must know how to appreciate where the true honor, the true dignity, and the true glory are—they could never be at the individual level but at the collective level, he emphasized.

Later in his speech, he explained that the level of economic efficiency registered in the construction of the center is an example of the country's achievements following the adoption of measures allowing Cuba to adapt to the conditions imposed by the current world.

We have been consulting the people about these measures, taking their opinions into account, which is something that those who talk about democracy never do; they never consult their people, he underscored.

The Cuban president announced that the excess of currency circulating in the country has already been reduced more than \$1 billion, which has resulted in a revaluation of the national currency and the devaluation of the dollar on the unofficial local market.

He stressed that all the economic transformations were made without leaving anyone unprotected and without closing one school or hospital, because a socialist state exists only to help man under any circumstance.

Man is not merchandise that is bought and sold in socialism, he stressed.

Further on he added that the undertaken reforms entail the defense of the achievements of socialism, the ideals, and the fatherland. "That is what is called winning the battle over imperialism when it is more powerful than

ever, more omnipotent, and wants to do what it pleases in this bipolar world," he said.

The Cuban leader stressed the complexity of the immunology center, inaugurated on construction workers day. He emphasized that it meets the world's most definitive and exact requirements for its production, modern equipment, and highly skilled personnel.

It is a center the country can be proud of because it marks the completion of a number of scientific centers that have already begun to produce tens of millions of dollars a year for the nation, he stated.

Fidel Castro said the inaugurated installation is a source of national pride and that it constitutes a promise of health and well-being for the Cuban people and of revenue for the national economy.

### TRABAJADORES Editorial on Miami Summit

FL0612030794 Havana Radio Rebelde Network in Spanish 1000 GMT 5 Dec 94

["Text" of 5 December TRABAJADORES editorial: "The Summit's Entrails"; from the "Doing Radio" program]

[FBIS Translated Text] Entrails, like all entrails, are hidden where no one sees them—Jose Marti, on the 8 November 1889 Washington Summit.

Surely, this is unlikely to be the type of assessment that President William Clinton would like to hear about his Americas Summit, yet many of the enlightened warnings issued by Marti regarding northern greed, revealed during the International American Conference of 1889, serve to accurately describe today the summit that will be held this week in Miami.

This is because despite the exceptional nature they pretend to give to the meeting of heads of state of the Caribbean and of Latin America, summoned by Washington, in its true historical perspective, it is nothing more than a new episode in the long and turbulent relations of these two dissimilar and opposed Americas. The roots of this conflict are found deep in the beginnings of the previous century, and are expressed in the Manifest Destiny prophesies of the Democrat Thomas Jefferson or in Monroe's claims of an America for Americans that would justify territorial expansion and mark the beginning of innumerable interventions and meddling by the United States against its southern neighbors.

Unfortunately, identifying the current manifestations of these doctrines is not a job for historians. All that is needed is to review the performance of the last two U.S. administrations regarding Grenada, and Panama, or to glean beyond the democratic disguise with which U.S. soldiers landed this summer in Haiti, despite the explicit disapproval of a good portion of Latin America.

Jefferson's, Monroe's, and Adams' legacy seem to be an alluring and hard-to-shake doctrine when it comes to their strategic planning. Obviously, the Miami Summit language will avoid imperial impudences. We are living in a post-Cold War era where ongoing global reorganization expounds the end of ideologies, if not of contradictions, and the goal of this world as a political and economic homogenization of everyone, to the taste of the most powerful.

The summit summoned by William Clinton is the first such meeting under the new international conditions and is designed to reach a consensus on the principles the United States seeks to implement on a global scale and obviously to ratify U.S. hegemony under the label of a new era of hemispheric cooperation.

Thus, the defense of representative democracy as the only legitimate system of government in the hemisphere, the reestablishment of a collective security system, and the presentation of new forms of economic relations are emerging as the nucleus of a summit that from its very start showed signs of anachronism and imbalance.

It cannot be any other way despite the areas of agreement or submission to the U.S. that might exist among various Latin American and Caribbean governments. The contradictions contained in the new proposals cannot be dismissed. In order to establish the free enterprise democracies unilaterally described as the only option for development, significant concessions are demanded in terms of sovereignty, including a significant weakening of the principle of non-intervention, which promises to the southern neighbors the heightened hegemony of the United States in the foreseeable future and thus, verification of their suspicions.

The main goal of the hosts in Miami, in addition to a ratification of the democratic ideal, is to find new compulsive tools for so-called hemispheric security, responding above all to U.S. security concerns. The role of national armies—reduced to simple police functions—and the demand that the few national military industries in Latin America be dismantled are two of the major points of controversy.

Regarding the crucial issue of economic relations, discord is also the rule. Latin America and the Caribbean hope for the effective expansion of free trade accords. Washington has many reservations in this regard. The United States is focusing, therefore, on investments with conditions that surpass economic terms and give great advantages to the nation best positioned to act as a source of capital. A viable compromise on economic aid, fulfilling pledges made by the United States in terms of sustainable development, has not even been mentioned among the likely results of the Miami Summit.

Among the suspicions harbored by Latin American and Caribbean nations, there are well-grounded doubts about the Clinton administration's capacity to play a role in

regional development. The difficulties already experienced in the Congress, to attain the necessary facilities to speed up the establishment of new free trade accords, are now joined by the uncertain outlook of the Democratic leadership, following the mid-term electoral defeat. Of Jesse Helm, the Republican in line to head the Senate Foreign Relations Committee, it has been said, and justifiably so, that he is unable to see with sympathy any proposal to help poor Americans; so countries seeking help for development from Congress do not have much of a chance.

The Miami Summit has as its background the frustrated hopes resulting from other calls to hemispheric unity in the recent past, from the Alliance for Progress to the Initiative for the Americas. Its exclusive, and anti-Cuban character are manifested clearly by the site chosen and by not inviting Cuba due to an alleged lack of democratic credentials. The best answer to this new act of hostility is the brief and on-target judgment by Commander in Chief Fidel Castro: For Cuba, under those circumstances, it is an honor to not be invited. We are too maverick for that.

A century ago, Marti left us a written record of another case of threats and blockade. Marti wrote that Santo Domingo refused the invitation because it did not wish to sit at the table of those who, gun in hand, demanded control of Samana Bay, and as punishment for their resistance, levied higher tariffs on Dominican mahogany.

The Miami summit, despite appearances, will continue to be an expression of U.S. greed toward the other America, under conditions which not even the most fiery imperial ideologist from the last century could have imagined. Just as if a carrot could be offered simultaneously.... [passage omitted due to technical fault]

#### **Vice Minister: U.S. Behind in Accord Compliance**

*PA0612005994 Havana Radio Havana Cuba in Spanish 0000 GMT 6 Dec 94*

[From the "Evening Information Review" newscast]

[FBIS Translated Text] Jorge Bolanos, Cuban vice minister of foreign relations, has said that the United States is behind in its compliance with the immigration agreements signed by both countries, as opposed to Cuba, which has complied with the agreements.

In an interview published by the Spanish weekly CAMBIO 16, Bolanos said that, in principle, Cuba does not attribute the delay to bad faith but to bureaucratic difficulties.

Bolanos said Cuba will continue to insist that there can be no definitive solution to the immigration problem with the United States until that nation lifts the blockade, which is the main factor causing the problem.

Regarding Cuba's announcement of a new law to regulate foreign investment, Bolanos said it will facilitate all investment mechanisms and will make the Cuban market more attractive. At all times, however, state presence will guarantee social justice, he stressed.

### **Canadian Minister Stresses Opposition to U.S. Embargo**

PA0612022894 Havana PRENSA LATINA in Spanish  
1615 GMT 5 Dec 94

[FBIS Translated Text] Havana, 5 Dec (PL)—Canadian Foreign Affairs Minister Andre Ouellet has stressed Ottawa's opposition to the U.S. blockade and isolation policy on Cuba and has emphasized the increasing ties between his country and the island.

In a letter sent to the Canadian-Cuban Friendship Committee in Toronto, Ouellet said the Canadian Government believes the island's "continuous isolation is unhealthy," because the people of the Caribbean country are suffering the effects of a severe economic crisis.

The Canadian foreign minister underscored in his letter, obtained by PRENSA LATINA, that "as I have said before, Canada believes the United States must revise its blockade policy in view of the post-Cold War period we are currently living in."

Ouellet's letter was in response to a letter sent by the members of the Toronto Solidarity With Cuba Committee, urging him, among other things, that Ottawa increase its bilateral aid to Havana and increase its public pressure on Washington to end the blockade.

As for the latter request, Minister Ouellet expressed his hope that following the recent agreement reached by Cuba and the United States, "they could find a way to deal with more complex problems in their relations," and he also assessed that "third parties have only a limited field of action to influence the course of the Cuban-U.S. ties."

He recalled, however, that Canada "flatly" opposes the extraterritorial implementation of the U.S. blockade, as stipulated by the Torricelli Law passed in 1992.

To this end, the high-ranking Canadian official recalled that Canada reacted to this law, which aims at reducing trade between Canadian subsidiaries of U.S. companies and Cuba, by enacting the Federal Act on Extraterritorial Measures, which forbade Canadian companies from complying with U.S. laws.

Canada was one of the 88 countries that voted against the U.S. economic harassment policy against Cuba at the United Nations in November.

Regarding bilateral ties, Ouellet pointed to the visit to Cuba by the secretary of state for Latin America and Africa, Christine Stewart. She told the island's highest

authorities of Ottawa's interest in broadening talks with their government and directly funneling aid to the Cuban people.

The Toronto Solidarity Committee was one of the promoters of the Friendship with Cuba Caravan that was held in Canada, collecting some 200 tons of humanitarian aid in that country and the United States. This aid that will be shipped to the island from Montreal Port on 6 December.

### **Foreign Labor Leaders Reject U.S. Blockade**

PA0412202394 Havana PRENSA LATINA in Spanish  
2037 GMT 3 Dec 94

["The Blockade: A U.S. System of Aggression Against Cuba"—PRENSA LATINA headline]

[FBIS Translated Text] Havana, 3 Dec (PL)—Labor leaders from 15 countries today charged in this capital that the U.S. blockade against Cuba is an aggression, a war, that negatively affects the Cuban people's health and all the country's sectors.

At the session that closed the first international meeting of health sector labor leaders, Cuba's Health Minister Dr. Julio Teja thoroughly explained how the blockade affects the country not only because there are items it cannot acquire but also because of the high cost of the item it can acquire.

In 1993, he said, Cuba paid \$6 million in air and maritime transportation of medicine that had to be bought in Europe and Asia.

Had Cuba been able to acquire it in the United States or in nearby countries, he noted, our nation would have saved \$4 million.

During the meeting, delegates from America, Europe, and Australia rejected the blockade and discussed strategies they are implementing in their countries to make known the truth about Cuba and to secure solidarity for the people of this Caribbean island.

Approximately 60 delegates participated in the meeting, which concluded recently. They were from Argentina, Brazil, Colombia, Chile, Mexico, Paraguay, Puerto Rico, Dominican Republic, France, Great Britain, the United States, Portugal, Greece, Australia, and Cuba.

### **Foreign Media Center Attention on Castro While in Mexico**

PA0412184594 Havana Radio Havana Cuba in Spanish  
1300 GMT 4 Dec 94

[From the "Morning Information Review" newscast]

[FBIS Translated Text] Cuban President Fidel Castro received considerable attention during his visit to Mexico. The Mexican and foreign media paid more

attention to his visit than to the other 14 chiefs of state who attended the inauguration of Mexican President Ernesto Zedillo.

Mexico's most important newspapers, including EL NACIONAL, EXCELSIOR, REFORMA, EL DIA, and EL UNIVERSAL, dedicated photo space on their front pages to the meeting between Cuba's chief of state and his Mexican counterpart in Los Pinos presidential residence.

EL SOL published Fidel Castro's rejection of U.S. anti-immigrant laws and his words comparing the Mexico he knew as a young man and today's Mexico.

REFORMA carries under the headline "Just Like Home" a report summarizing President Fidel Castro's activities. The newspaper also reported on Fidel Castro's evaluation of the future of bilateral ties. Mexico will not forsake Cuba, and Cuba will not forsake Mexico.

The leader of the Cuban Revolution was always treated by Mexican news people with respect and friendship. According to foreign correspondents, this treatment mirrors Mexico's acknowledgment of Fidel Castro's political history of firm defense of sovereignty over U.S. pressure.

#### **Radio Commentary Views UN Dissolution, Bosnian Serbs, Miami Summit**

*FL0612011494 Havana Radio Reloj Network in  
Spanish 1255 GMT 5 Dec 94*

["Our Opinion" commentary by Eduardo Dimas; from the "Doing Radio" program]

[FBIS Translated Text] Just yesterday, I read an article about U.S. conservatives that made me change the subject of today's commentary. Two important Republicans, Senator Robert Dole, who is to become leader of the Senate, and Congressman Newt Gingrich, future speaker of the House of Representatives, expressed their opinions on the United Nations and the conflict in Bosnia-Herzegovina. Both politicians agreed that the United Nations no longer played a positive role and that it should therefore be dissolved. In other words, this organization, consisting of 185 countries, the Security Council of which is dominated by the United States, is no longer, in the opinion of these two extremely conservative gentlemen, docile enough for U.S. interests. Perhaps such a position is in response to Russia's decision to veto a new Security Council resolution of economic sanctions on Yugoslavia, now composed of Serbia and Montenegro.

Robert Dole, who is a possible presidential candidate for the 1996 elections, and Newt Gingrich expressed themselves in favor of the United States [word indistinct] definite blows against the Serbs in Bosnia. As a matter of fact, Gingrich stated that several Arab countries would willingly pay for the weapons to strengthen the Muslims in Bosnia. Of course, these statements [words indistinct] the recent decision of President Clinton to lift the arms

embargo on the Muslims of the former Yugoslavian Republic. Secretary of State Warren Christopher, who is currently visiting Europe, immediately stated that such was not the official position of the Clinton administration and that U.S. interests were not affected enough by Bosnia to warrant the United States' direct involvement in that conflict.

It is a well known fact that bourgeois [burgueses] politicians say one thing and do another. Perhaps this is the case with Robert Dole and Newt Gingrich. But let us not forget the positions they will occupy in Congress, in which the Republican Party won the majority in both houses. Maybe they will do something else when they assume their posts, but their statements are completely in line with the political thought of the two. Furthermore, we must not forget that ultra-conservative Jesse Helms will chair the Senate Commission for Foreign Affairs and that other politicians of the same persuasion will be at the head of important legislative commissions.

Another thing to consider is that Clinton's advisers have announced changes in the government, more toward the center in consonance with the results of the mid-term elections in which the Democrats suffered an overwhelming defeat. The truth is that it would be more appropriate to say that there was a change more toward the right because during the first two years of term, the government maintained a moderate position.

A fact to keep in mind is that the president will have to coexist with a Republican party that is very strong in Congress and willing to do anything to win the 1996 presidential elections.

I believe that if one can learn anything from recent statements by Newt Gingrich, Robert Dole, and Jesse Helms, or from recent steps by the Clinton administration, it is that conservative positions have gained more power within the U.S. "establishment." I mention this because the blasts are now aimed at the United Nations and the Bosnian Serbs.

The so-called Summit of the Americas, during which the United States intends to consolidate its dominion over Latin America, begins on 9 December. The Latin American governments of course have their own interests and expectations. Is it not feasible to think that, at a given time, the conservative blasts could be aimed at any Latin American nation. Those who have a good memory may recall the blackmail positions of Jesse Helms and Newt Gingrich regarding Violeta Barrios' government in Nicaragua. That is why I suggest we pay attention to those roars of the conservatives, not only because they reflect a reactionary line of thought, but because behind the roar lurks the threat of attack [zarpazo].

#### **Robaina Departs for Maghreb, Middle East Countries**

*PA0512193394 Havana Radio Havana Cuba in Spanish  
1300 GMT 5 Dec 94*

[From the "Morning Information Review" newscast]

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[FBIS Translated Text] Cuban Foreign Minister Roberto Robaina has departed Havana on his way to Algiers, the first stopover in a tour through Maghreb and Middle East countries with the aim of improving bilateral ties.

In his tour through Algeria, Tunisia, Libya, Jordan, Syria, Egypt, and Iran, Robaina will report on Cuba's present situation and how the Cuban people are dealing with the increased U.S. embargo. To make known the Cuban reality, Robaina has made several tours through Latin America, Europe, Asia, and Africa.

#### **Comments on Investment, Sovereignty, Exiles**

*FL0512223894 Havana Radio Rebelde Network in Spanish 1800 GMT 5 Dec 94*

[From the "National Radio News"]

[FBIS Translated Text] Stopping in Madrid, where he made a stop during this trip to the Middle East, Cuban Foreign Minister Roberto Robaina stated that Cuba is preparing a new law on investments, which will continue to provide flexibility and safety to foreign investments.

Following his arrival at Barajas Airport, Robaina said to the press that Cuba is not sitting on its hands, but that Cubans do not wish to change to the direction that many abroad are trying to steer them.

Regarding relations with Cuban exiles, Robaina stated that the process that began in Havana continues, and that he recently met 600 Cubans living in the United States who are a part of this process.

When asked about the U.S. blockade against Cuba, Robaina noted that the UN vote shows the general feeling on this, but that the United States does not wish to pay attention to this decision. He recalled that just a few votes justified the invasion of Haiti, but that 101 votes in the UN General Assembly did not decide anything.

#### **Denounces U.S. Embargo**

*PA0612035694 Havana Radio Havana Cuba in Spanish 0000 GMT 6 Dec 94*

[From the "Evening Information Review" newscast]

[FBIS Translated Text] Cuban Foreign Relations Minister Roberto Robaina has said at a stopover in Madrid that we do not have our arms folded, nor are we at a standstill in Cuba. He just began a tour for several North African and Middle Eastern nations.

Questioned by the media at Barajas Airport, Robaina reported that the island is now working on a new investment law that will facilitate the flexibility, scope, and security required by the foreign investment process.

As for talks held by Cuba with the migrant sector, the foreign minister pointed out we are continuing a process begun a long time ago by Havana, and he recalled that he

recently held talks in New York City with 600 Cuban representatives living in the United States.

As for the U.S. anti-Cuban policy, Robaina said it must not be called a blockade or embargo; it is a merciless war against a country that wants to build its own model and follow its own path.

Minister Robaina will visit Algeria, Tunisia, Libya, Jordan, Syria, Egypt, and Iran.

#### **Robaina: Dialogue With Exiles Continues**

*LD0512152794 Madrid RNE-1 Radio Network in Spanish 1300 GMT 5 Dec 94*

[FBIS Translated Text] The Havana government is expanding and working on the political and economic reforms in Cuba because of internal interests, not because of pressure from outside. This was stated by Cuban Foreign Minister Roberto Robaina at Madrid-Barajas airport this morning during a technical stopover. Our colleague Hector Arenas spoke with him. Good afternoon.

[Arenas] Good afternoon. During a technical stopover lasting a few hours in Madrid, influential Cuban Foreign Minister Roberto Robaina acknowledged Spain's plea, repeated last week in Felipe Gonzalez's talks with Fidel Castro in Mexico, for the need to complete the economic and political reforms in Cuba. Robaina said that they are working on those reforms, such as liberalization of industry and of the farm produce market and the new law on foreign investments, but not just for the benefit of outsiders. [passage indistinct] Cuban Foreign Minister Roberto Robaina said that the dialogue he held in Madrid with Cuban exile and human rights sectors has not stopped and that sooner rather than later the U.S. embargo against Cuba—or war without mercy as he calls it—will be lifted because of a change of mentality by the government and part of U.S. society.

#### **Costa Rica To Open Migration Office in Havana**

*PA0212202094 Havana PRENSA LATINA in Spanish 0317 GMT 2 Dec 94*

[FBIS Translated Text] Mexico City, 1 Dec (PL)—Costa Rican authorities today agreed to open an office in Cuba in January 1995 to deal with migration issues. The office will be located in the Spanish Embassy.

This decision was made public on 1 December after Cuban Chief of State Fidel Castro and Costa Rican President Jose Maria Figueres met in this capital.

In statements to the media, the Costa Rican president reported that he held a "cordial and affable" meeting with his Cuban counterpart, with whom he has met on many occasions, adding that they established "good and frank relations, which will allow us to discuss Latin American issues in an open fashion."

Questioned on the possibility of resuming the diplomatic relations between the two nations, Figueres pointed out these things "must not be rushed into." Meanwhile, he underscored that the office will allow us to discuss issues pertaining to migration affairs.

As for the Summit of the Americas, which will be held this month in Miami and which Cuba will not attend, the Central American high-ranking official told PRENSA LATINA that in his opinion, "we all have to restate our position toward the island in view of the end of the Cold War and because we live in a different world."

Although President Figueres said that we must recognize how much Cuba has done in the social field, especially education and medicine, he admitted that he disagrees with the principles of the Cuban political system.

Meanwhile, Cuban Foreign Relations Minister Roberto Robaina confirmed that the meeting was held amid a cordial atmosphere and that the Costa Rican migration office will begin operating on the island in early 1995.

#### **UN Representative Receives New York City Officials**

PA0412213894 Havana PRENSA LATINA in Spanish  
2010 GMT 3 Dec 94

[FBIS Translated Text] United Nations, 3 Dec (PL)—At a meeting at Cuba's permanent mission to the United Nations, the interest that New York City business sectors have in developing economic and trade relations with the Havana government became evident.

Cuba's permanent representative to the United Nations, Fernando Ramirez de Estenoz, hosted a group of members of the New York City Council headed by its vice president, Thomas White Jr., and Jerome O'Donovan, head of the council's Economic Development Committee.

The council comprises elected representatives of the city's 51 electoral districts and are responsible for passing New York City's laws.

Both sides described the meeting as fraternal and as a positive step toward rapprochement between Cuban and council representatives.

Before the meeting, there were informal contacts with representatives of the council who, on behalf of local business sectors, expressed interest in developing economic and trade relations with Cuba.

These representatives are watching the increasing flow of European, Canadian, and Latin American capital into Cuba, and they are seeing how they are missing opportunities because of the blockade imposed on the island more than three decades ago by the U.S. Government.

This meeting followed one Cuban Foreign Minister Roberto Robaina held with O'Donovan at the Cuban

mission when Robaina visited the largest U.S. metropolis to participate in a UN General Assembly session in October.

On that occasion, the legislator expressed his interest in establishing a niche for New York economic interests based on the opinion that economic relations would be mutually beneficial, as well as to serve as an opportunity for new markets and ties for New York City.

New York is currently enduring a financial crisis that is harming social development projects in areas that include education and public health.

During the meeting, the two sides said they have laid the groundwork for additional steps aimed at eliminating the U.S. blockade.

#### **Government Presents Proposal at UN on Right to Travel**

PA0512185294 Havana Radio Havana Cuba in Spanish  
1300 GMT 5 Dec 94

[From the "Morning Information Review" newscast]

[FBIS Translated Text] During the 3d UN Convention on Social, Humanitarian, and Cultural Affairs, Cuba presented a draft resolution on the universal right to travel and the vital importance of family unity.

The document calls on all countries to protect the universally recognized right to travel of nationals legally residing in other countries and protect the unity of the illegal immigrants' families. The document also urges all governments to permit cash remittances from nationals of other countries to relatives in their home countries.

Cuba has asked the UN Human Rights Commission to consider this matter in its 51st session and make recommendations to the UN General Assembly through the Economic and Social Council. Cuba's proposal on freedom to travel should be debated next Wednesday during the 3d UN Convention for Social, Humanitarian, and Cultural Affairs.

#### **Commentary Views U.S. Groups Defying Travel Restrictions**

PA0612140294 Havana Radio Havana Cuba in Spanish  
0000 GMT 6 Dec 94

[Commentary by Roberto Morejon from the "Evening Information Review" newscast]

[FBIS Translated Text] U.S. society groups wishing their government would end the absurd policy of blocking Cuba economically and politically are quite concerned, because the most recent prohibitions on traveling to Cuba are still intact almost one month after the legislative elections in their country.

A reflection of that opinion is the scheduled monthly arrival to Havana of groups of U.S. academicians who

openly defy the White House restrictions curtailing their constitutional rights as citizens.

The first of those groups has just ended a visit to Cuba and confronts now the possibility of facing trial in the United States and of receiving sentences of up to 10 years in jail and fines of \$250,000. Those sentences could be applied for the inconceivable crime, according to U.S. laws, of traveling to Cuba, a country on which the United States has not officially declared war.

Wayne Smith, a former chief of the U.S. Interests Section in Cuba who headed the first group of personalities who traveled to Havana, has said many of his colleagues are planning to invite him in the next few months. He added they have a lawyer and are ready to go to jail and take the case to the Supreme Court and demand that the arbitrary laws restricting contacts with Cuba be reviewed by Congress.

The U.S. delegation has traveled to Havana without requesting the corresponding authorization from the Department of the Treasury, as required by the additional measures issued by President William Clinton in August to reinforce the blockade. U.S. citizens interested in traveling to Cuba suddenly found themselves deprived since August of one of the citizens' rights most staunchly defended in that country.

This action by this group of U.S. personalities is added to that of the group Freedom to Travel, whose members have visited the island defying legal instruments proscribing those trips. Movements of this nature logically question the existence of anachronistic and senseless regulations that are based on laws, such as the act banning trade with the enemy, that were issued as far back as during World War I.

The waiting period up to 8 November declared by certain sectors seems to have ended.

#### **Vegetable, Meat Prices Decline in Farmers Markets**

PA0312025694 Havana PRENSA LATINA in Spanish  
2319 GMT 29 Nov 94

[Report by Javier Rodriguez]

[FBIS Translated Text] Havana, 29 Nov (PL)—Domestic Trade Minister Manuel Vila Sosa today said 30 percent of the producers participating in the recently inaugurated Cuban farmers markets are private farmers.

Vila Sosa appeared today before the Service Committee of the National Assembly of the People's Government [ANPP], where he also reported on progress in preparations for the sale of industrial products and handicrafts in markets scheduled to open on 1 December. The minister said that during the farmers markets' first month in existence—the farmers markets were inaugurated in October—sales reached 120 million pesos (the

same amount in dollars at the official exchange rate). This figure is expected to increase to 150 million pesos in November.

In these markets, private farmers can participate only after they fulfill previously signed commitments with the state collection and preprocessing agency, which are aimed at fulfilling the quotas assigned to the people through regular sales at reduced prices.

Vila affirmed that approximately 20 million pesos in taxes, rent for the sites, and other fees were gathered by the state in the farmers markets' first month of operation.

Moreover, he announced that the first specialty shops that sell articles necessary for agricultural production (saddles, plows, and other instruments), all of which are designed to help get produce to market, have already begun operating.

Another interesting fact mentioned by the minister was a trend toward lower prices in some of the products sold there, such as vegetables, whose retail prices dropped 15 percent, and meats, which registered as much as a 35 percent decline in favor of the consumer.

Regarding these markets and industrial product and handicraft markets, Vila said a percentage of the profits is being set aside to be given to workers of industries participating in the collection and processing of production surpluses or inventories destined to be sold to the people.

So-called leisure products, whose inventories were stagnant in state-owned companies, also are being sold at similar stores. These items will now be used to help satisfy the needs of the people.

Vila believes this industrial and handicrafts commercial network supplements the farmers markets and an important source of commercial activity for the country.

Vila said he believes this is part of the chain that will begin to move the production process, because trade is a very significant step in that process.

A number of deputies asked for clarification regarding some aspects of the workings of the markets and stressed the need to stop the illegal activities of some individuals who do not meet the necessary requirements to participate in these markets.

Regarding the same issue, ANPP Vice President Jaime Crombet spoke in favor of the correct functioning of organizational and control mechanisms to permit legal and serious work and the protection of the people's health and hygiene which is the government's main concern.

#### **Update on Electricity Supplies Reported**

FL0312012094 Havana Radio Reloj Network in Spanish 2054 GMT 2 Dec 94

[FBIS Translated Text] The electrical system's generating capacity 24-30 November averaged 1,522 megawatts, with peak demand reaching 1,856 megawatts with

a 334-megawatt deficit. The Electric Union reports that the balance reflects a decrease in the average deficit in relation to the same period last year, mainly due to the increased generating capacity and reduced demand. The Japanese-made unit 4 at the Carlos Manuel de Cespedes thermoelectric plant, in Cienfuegos, is still undergoing repairs. The average generating capacity 1-6 December will be 1,470 megawatts; therefore, the deficit will fluctuate around 400 megawatts during peak hours.

### CTC Secretary General Comments on PRC Visit

PA0412175694 Havana PRENSA LATINA in Spanish  
1021 GMT 3 Dec 94

[By Frank Guiral]

[FBIS Translated Text] Beijing, 3 Dec (PL)—Pedro Ross, member of the Politburo of the Central Committee of the Communist Party of Cuba and secretary general of the Cuban Workers Federation [CTC], was very satisfied with his trip to the PRC and stated that it surpassed expectations.

Ross met with the main Chinese labor leaders "to raise relations to a higher level and explore avenues of cooperation between the two organizations," he told PRENSA LATINA.

Talks were always frank and cordial, aimed at increasing trade union cooperation and take advantage of their respective experiences, he added.

Ross thanked the Chinese workers' gestures of solidarity toward the Cubans and pointed out that he found there was interest in learning about Cuba's experiences on how unions worked in enterprises with foreign capital.

He underscored that friendly cooperation is increasing daily in referring to his meeting with Hu Jintao, permanent member of the Central Committee of the Political Bureau of the Communist Party of China.

Hu Jintao offered a broad explanation on the development of the Chinese economy, its successes and difficulties, and praised the struggle of the Cuban people under Communist Party leadership for defending and constructing Cuban independence and national sovereignty following a socialist path, Ross said.

Ross, who was invited by China's National Federation of Unions, met with its President Wei Jianxing, Vice President Zhang Dinghua, and with Ni Zhifu, vice president of the Permanent Committee of the National People's Congress (parliament).

Likewise, Ross visited agricultural enterprises, textile factories, electronic product factories, and travelled to the city of Tianjin—about 150 km from Beijing—where he visited an area of economic development and listened to the experiences of Chinese workers.

Ross told PRENSA LATINA that the exchange of experiences, the repeated friendly cooperation in all aspects,

and the close links, lead him to describe the result of the visit as highly satisfactory and surpassing expectations.

The Cuban labor leader arrived in Beijing on the afternoon of 29 November and departed today for Havana.

### Trade Statistics, New Measures Reported

95CA0043A Havana BOHEMIA in Spanish No. 22, 28  
Oct 94 pp 30-35

[Article by Ariel Terrero]

[FBIS Translated Text] Thousands of daily shortages are combining to exhaust the patience of the citizens of Cuba—soap, transportation, water, some medicines, fuel for cooking. Housewives outdo themselves to stretch out the rice, the beans, and the other foodstuffs in their scanty family food baskets. In the home, nightly power failures ruin the few hours of television programming still available, and "Felicidad" (Happiness), the current Brazilian miniseries, is becoming as hard to hold on to as its title.

After losing the Soviet trade connection, the island plunged into an economic crisis that is growing ever more profound. The 1990s have given the largest island in the Antilles such a bitter and ugly aspect that merchant vessels have been frightened away from its ports. Year after year, trade with other countries has declined. In 1993 the total came to about \$3.7 billion, 11.1 percent below the figure for the preceding year, and only 27 percent of the total invoiced in 1989.

Purchasing power, in particular, has suffered badly. Imports have dwindled to such an extent that last year, they amounted to only a quarter of the total for 1989. It could not have been otherwise, in view of the shrinkage seen in exports. In 1993, the country's estimated foreign income came to not much more than \$1.7 billion, a total similar to that 20 years ago, although at that time there were two million fewer inhabitants eating and spending on the island.

The break with the socialist camp has imposed more than one trauma on the Cuban productive apparatus. When supplies were cut off, the inefficiencies of an economic model that rendered homage to gigantism and energy waste and paid very little attention to such factors as cost and competitive capacity were revealed. The Cuban factories, the heirs to a technology born and nurtured under these conditions, have had to shut down the greater part of their machinery while they sought suppliers of raw materials, fuels, equipment, and spare parts on the Western markets, to replace the old CEMA [Council for Mutual Economic Assistance] partners. In 1992, the island was only able to operate at 20 percent of its industrial capacity, other than in the sugar sector, and in 1993, at only 15 percent.

The black storm clouds have also darkened the picture in the principal economic sector. The sugar industry, as the expression of the continuing single-crop characteristic of

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the country's economy, has suffered steady deterioration. The 1992-93 harvest yield was the lowest in the past 30 years, at 4.2 million tons of sugar, and the total in 1993-94 was almost the same. Added to the fact that only 20 percent of the usual resources were available were the caprices of nature and the consequences of the prevailing agricultural and industrial inefficiency.

Agriculture, another traditional sector of the economy, has not made much headway either, with a precarious supply situation and yields that do not, in many cases, compare well even with other Third World countries.

Trickery from outside the country—some measures as cunning as the Torricelli Law and the North American economic blockade and the clumsy errors characteristic of the domestic model have caused the destruction of the Cuban economic castle. According to estimates, the gross domestic product (GDP) came to not more than 10 billion pesos in 1993—only half the national figure in 1989, before the crisis began. The low figures this year will not be any more encouraging, except for some advances in certain branches.

#### Changes, Antagonisms, and Unknowns

The loss of the traditional markets and the recession were the first changes in the economy as the curtain went up on the decade of the 90s, but not the only, or even the most important, changes. The country has embarked upon an anticrisis program, in which, as in a genetic engineering operation, basic inherited codes are being altered. Although the brusqueness of the neoliberal reforms has been lacking, the face of the economy is undergoing changes as profound as the turmoil that has made them necessary.

The need to survive has forced a revision of the old schemes. The economic policy and language have changed, along with the trade structures and sectorial leadership, the pieces of the state jigsaw puzzle, and the rules of the game.

Although it is too soon to look for results, or to digest them, changes are already becoming visible. They are occurring in the midst of an intensive, sometimes hidden, struggle between the trend toward decentralization and the inertia of the centralism that has weighed down the economy. A rational balance between the two extremes is the goal.

#### New Foreign Partners

The receptivity to foreign investments is the policy that is having the greatest influence on the current development of the Cuban economy. This policy, promoted since the end of the last decade under the terms of Decree Law 50 of 1982, has created new and dynamic opportunities for trade and investment—the basis for domestic supply and demand in the immediate future. This is the opinion of Alfonso Casanova, the director of the Center for Studies on the Cuban Economy (CEEC).

Through joint ventures, the island is obtaining technologies and markets that will serve to reactivate its industry, in addition to the capital it needs. Some branches are showing indications of recovery, thanks to the effect of mixed enterprises and contractual economic partnerships. International tourism, the most forceful of the emerging activities, is followed by oil prospecting and extraction, mining (nickel, cobalt, copper, and other ores), citrus fruits, and the construction materials industry.

Although their development has not been as rapid as the country would like, a notable increase in the number of mixed enterprises can be expected in the short run. Cuba has provided legal and financial guarantees to encourage the repatriation of investors' earnings, and it has signed bilateral agreements with a number of countries (Spain, Canada, Italy, Colombia, and Mexico) to protect foreign investments. In addition, the island has other attractions, with its virtually virgin domestic markets and the level of its workers' technical and vocational training. However, some rough edges that are slowing negotiations will have to be smoothed. It is the task of the authorities to channel the investment process toward the priority sectors—first of all, those that will ensure the productive recovery of the country, by making the operations flexible.

In fact, the country has taken some important steps in this direction, with the initiation of a process of adjustment of the foreign trade structures. The creation of mercantile companies and enterprises with schemes for self-financing in foreign exchange has given the productive links direct access to the international market. What is needed now is to complete this work and exorcise the old phantoms.

Economist Alfonso Casanova says that "the economic context for foreign investment in Cuba must develop increasingly toward a situation in which the business relationships between producers and consumers are highly decisive and the forms and relations inherent in the direct involvement of foreign capital in the economic development of the country are extended. Cuba is not seeking exclusive direct bilateral relations, but rather full integration with the countries of Latin America and the Caribbean area, and recognition of the need for inclusion within a broader economic world."

#### A New Domestic Atmosphere

The face of the economy is changing, and not only in its venture beyond our frontiers. Beginning in 1993, the government put a policy of domestic adjustment on the agenda, and it has achieved particular resonance this year. On the one hand, a program to eliminate the financial imbalances caused by the crisis has been undertaken, while at the same time measures designed to reactivate production, services, and trade have been adopted.

All of these things together are gradually changing the domestic situation.

One of the most recent steps—the opening up of the agricultural market last 1 October—has become the inevitable subject of conversation both on the street corners in the neighborhoods and in the hallways of specialized establishments.

The new market has far exceeded expectations in terms of the flexibility of its concepts. Elements as bold and unusual in the Cuban environment as free prices, governed by the law of supply and demand, and the interaction of competition, have been introduced.

However, the agricultural market was only the missing piece in one of the most important reforms of the Cuban economy in recent years—the creation, in 1993, of the basic cooperative production units (UBPC). The cooperativization of the state farms, covering both the sugarcane sector and the rest of agriculture, changed the ownership relations in major branches of the economy. Since the UBPC provided the key to work incentives, opening up the long-sought doors to efficiency in the agricultural sector, this experience could lead to the extension of the cooperative forms to other economic areas such as services.

The decriminalization of possession of foreign currency and the liberalization of self-employment were two other steps taken in 1993 that have had their effect on the domestic mercantile picture, although the latter change, in particular, has encountered more than one bureaucratic obstacle.

In the enthusiasm for reviving production and the domestic market, the authorities have had recourse to various mechanisms, including some of those of the market economy. But none of the steps taken could have a noticeable effect unless they were combined with a financial housecleaning.

The state has adopted a series of measures designed to reduce excess liquidity, the first result of which was the collection of 1.23 billion pesos between June and September of this year. This figure is but a drop in the bucket represented by the total volume of currency in circulation, calculated to be 12 billion pesos at the end of 1993. This is four times what the domestic economy needs to function harmoniously. However, this confirms the financial strategy designed to use this means to reestablish the value of the Cuban peso, which has been subject to the inflationary pressures clearly seen in the flourishing black market. This is a necessary step if the role of wages as a work incentive is to be reestablished.

There is already a long list of so-called financial housecleaning measures, including the increases in the prices

of products regarded as nonessential (cigarettes, rum, and other items), automotive fuels for private consumption, and electrical and postal rates, and also the establishment of fees for services previously provided free, among other things. The recently approved law on the tax system will also contribute to reducing the sizable fiscal deficit, but its scope extends beyond the present situation. The new taxes establish a responsible relationship between the citizens and businesses and the state—a novelty for the majority of the citizens of Cuba.

The ordinary citizen, who has lived and consumed without any knowledge of the complicated puzzles posed by economics, is now beginning to deal with terms like subsidies, tax evasion, and budget deficits, which he had not previously clearly understood. And he is beginning to count every centavo in the peso and every cent in the dollar in a new way.

#### What Future Model?

Where are the changes that have begun or those to come leading? What will Cuba be like in three years, for example? Who would dare to predict?

Minister of Finance and Prices Jose Luis Rodriguez has said that the financial housecleaning measures are not likely to produce visible results before the end of 1995. Strictly speaking, this program is designed to establish the conditions for economic recovery, rather than to represent recovery as such.

In its effort to survive, Cuba is moving toward an increasingly decentralized economic model, with the various forms of ownership—state, mixed, private, cooperative, and individual—playing an active role. It is a mixed economic model, in which centralization will also be necessary in order to protect the gains of socialism in health, education, security, and social justice, and to give consistency to a general strategy for development.

As the economist Juan Triana, the deputy director of the CEEC, was to say, "We are in the best position to experience any type of socialism. This is one of the advantages Cuba enjoys. First of all, because we have not rejected socialism, and secondly, because the cliches and the models to be copied are now in the past."

Note: The statistics analyzed in this article, those for recent years in particular, are estimates provided by the Center for Studies on the Cuban Economy, the Center for Research on the World Economy, the Ministry of Finance and Prices, the periodical *THE ECONOMIST*, the ECLA (Economic Commission for Latin America), and other specialized institutions.

**Foreign Trade 1988-1993**

(in billions of pesos)

| Year | Exports | Imports | Total Trade | Total Balance |
|------|---------|---------|-------------|---------------|
|      | 1       | 2       | (1 + 2)     | (1 - 2)       |
| 1988 | 5.5183  | 7.5798  | 13.0981     | -2.0615       |
| 1989 | 5.3992  | 8.1397  | 13.5389     | -2.7405       |
| 1990 | 5.4150  | 7.4166  | 12.8316     | -2.0016       |
| 1991 | 2.9615  | 4.1490  | 7.1105      | -1.1875       |
| 1992 | 1.9229  | 2.2360  | 4.1589      | -.3131        |
| 1993 | 1.7000  | 2.0000  | 3.7000      | -.3000        |

**Gross Export Income in 1993**

(in millions of dollars)

|                |       |
|----------------|-------|
| Sugar          | 720   |
| Tourism        | 650   |
| Nickel         | 157   |
| Shellfish      | 100   |
| Tobacco        | 50    |
| Citrus fruits  | 12    |
| Others         | 11    |
| Other services | 200   |
| Total          | 1,900 |

**Gross Domestic Product**

(in billions of pesos)

|      |        |
|------|--------|
| 1986 | 18.480 |
| 1987 | 18.177 |
| 1988 | 19.048 |
| 1989 | 19.335 |
| 1990 | 18.735 |
| 1991 | 14.051 |
| 1992 | 12.084 |
| 1993 | 10.000 |

**Structure of Imports in 1993**

(in percentages)

|       |                                                                        |
|-------|------------------------------------------------------------------------|
| 44.2% | Oil                                                                    |
| 25.9% | Basic foodstuffs                                                       |
| 29.9% | Medicines and agricultural and industrial supplies for export branches |

**Domestic Finance**

(in billions of pesos)

|      | Liquidity | Budget Deficit |
|------|-----------|----------------|
| 1990 | 5         | 2.1            |
| 1991 | 7         | 3.7            |
| 1992 | 8.4       | 4.2            |
| 1993 | 11.4      | 4.6            |

**Principal Economic Branch Indicators**

|                    | Unit of Measure      | 1990 | 1991 | 1992 | 1993 |
|--------------------|----------------------|------|------|------|------|
| <b>Industry</b>    |                      |      |      |      |      |
| Sugar              | million metric tons  | 8    | 7.6  | 7    | 4.2  |
| Nickel             | thousand metric tons | 40.7 | 33.3 | 32.4 | 30.2 |
| Electricity        | gigawatt hours       | 15   | 12.9 | 11.1 | 10.3 |
| Oil extraction     | million metric tons  | .7   | .5   | .9   | 1.1  |
| Cement             | million metric tons  | 3.3  | 1.8  | 1.1  | 1    |
| Tobacco            | million units        | 319  | 324  | 297  | 285  |
| <b>Agriculture</b> |                      |      |      |      |      |
| Citrus fruits      | million metric tons  | 1    | .8   | .8   | .9   |
| Root vegetables    | million quintals     | 11.8 | 16.1 | 20.1 | 18.5 |
| Garden produce     | million quintals     | 3.7  | 5.3  | 5.3  | 3.9  |
| Cattle [M. Vacuna] | million head         | 4.8  | 4.7  | 4.6  | 4.5  |
| Milk               | million metric tons  | .8   | .6   | .4   | .3   |

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| Principal Economic Branch Indicators (Continued) |                 |      |      |      |         |
|--------------------------------------------------|-----------------|------|------|------|---------|
|                                                  | Unit of Measure | 1990 | 1991 | 1992 | 1993    |
| Transportation                                   |                 |      |      |      |         |
| Bus service                                      | thousand units  | 2.4  | 1.9  | 1.2  | no data |
| Urban transport                                  | thousand units  | 1.9  | 1.5  | 1    | no data |
| City of Havana                                   | thousand units  | 1.2  | .9   | .8   | no data |
| Tourism                                          |                 |      |      |      |         |
| Gross income                                     | million pesos   | 189  | 290  | 530  | 720     |
| Visitors                                         | million         | .3   | .4   | .5   | .6      |

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### **Democratic Revolution Urges Zedillo To Mention Drugs, Environment at Summit**

PA0512223794 Mexico City NOTIMEX in Spanish  
2115 GMT 5 Dec 94

[FBIS Translated Text] Mexico City, 5 Dec (NOTIMEX)—The Chamber of Deputies today approved President Ernesto Zedillo's request to leave the country from 9 to 12 December to attend the Summit of the Americas, which will be held in Miami, United States.

President Zedillo indicated in his request that the upcoming meeting of the American heads of state and government will give the leaders the opportunity to exchange points of view on the most relevant regional and global issues.

The document in which the request was made said, "The meeting will provide an promising venue to design a new framework of understanding among our countries and to explore courses of adaptation to face problems regarding the region's development and welfare."

According to the text of Zedillo's request, Mexico will use the Summit of the Americas to stress its commitment to focus on major regional challenges with a spirit of cooperation and respect while promoting mechanisms that will create prosperity and development for all of the peoples of the region.

Deputy Rosa Maria Cabrera, from the opposition Party of the Democratic Revolution [PRD], urged Zedillo "to take up a position against the foreign policies of the California government" at the upcoming summit. On behalf of the PRD, she called on the Mexican president "to emphasize our country's fight against drug trafficking and for the protection of the environment."

The heads of state and government of 34 nations will meet in Miami on 9 December to review issues of common and regional interest, as well as trade matters.

### **Chiapas Governor-Elect To End Participation in PRI**

PA0612021094 Madrid EFE in Spanish 2220 GMT 5 Dec 94

[FBIS Translated Text] Tuxtla Gutierrez (Mexico), 5 Dec (EFE)—Chiapas Governor-elect Eduardo Robledo Rincon announced today that during his mandate, which is scheduled to begin next Thursday, he will resign his membership in the Institutional Revolutionary Party (PRI), which has been in power since 1929.

Robledo was the PRI's candidate for governor in the southeastern state of Chiapas during the 21 August elections. Robledo officially won, but his victory has been questioned by the State Assembly of the People of Chiapas, which supports Amado Avendano.

The governor-elect announced today that before becoming governor of Chiapas State he has decided to

ask the PRI—the party of all Chiapas governors in the last 65 years—for permission to halt his active participation in this political party.

He said he sent the PRI National Executive Committee in the Mexican capital a letter separating himself from the party "so as to govern all peoples of Chiapas."

"I will separate my duties as governor from my party affiliation, and I will govern impartially and without privileges," Robledo said in a meeting at the Autonomous University of Chiapas.

Robledo said his separation from the PRI is intended "to maintain the distance required of a pluralistic, indiscriminate, and democratic government, which is what the people of Chiapas demand."

In the meeting, University of Chiapas Rector Jorge Arias gave Robledo the results of a debate sponsored by the university on how Robledo's government plan should be organized.

Robledo's opposition has announced that the same day he is sworn in as governor of Chiapas, the Assembly will install a parallel government led by Amado Avendano, a journalist and owner of EL TIEMPO newspaper in San Cristobal de las Casas.

The State Assembly of the People of Chiapas has called for several peaceful demonstrations on Thursday, which have been approved by Mexican authorities so long as the law is not broken.

### **Landowners Form Group To Evict Peasants, Indians**

PA0612041594 Mexico City LA JORNADA in Spanish  
5 Dec 94 p 12

[Report by Elio Henriquez and Jose Gil Olmos]

[FBIS Translated Text] Comitán, Chiapas, 4 Dec—In light of the "insecurity and restlessness in the region," cattlemen and landowners in Chicomuselo, Frontera Comalapa, and La Concordia Municipalities have announced the creation of the Alliance of Chiapas Farmers [Alianza de Productores de Chiapas] to "defend their properties and to personally dislodge Indians and peasants from seized properties."

Luis Flores Castellanos, president of the Chicomuselo Cattlemen's Association, made the aforementioned statements. He added that fellow association members have already hired 200 men and will patrol every three days "to stop the land invasions."

The cattleman asserted that the 200 men "are unarmed and are not white guards [landowners' paramilitary forces] as they have been mistakenly called." Nevertheless, peasants in the area are constantly reporting that the landowners "have weapons of all calibers, including machine guns and assault rifles."

in addition, leaders of the Emiliano Zapata Peasant Organization (OCEZ) and the Emiliano Zapata Proletariat Organization (OPEZ) have warned that if the landowners attempt to evict them, "the comrades will defend themselves and will resist, because they are determined not to reverse the land recoveries."

Flores Castellanos explained that the landowners and cattlemen of three border municipalities agreed to form the Alliance of Chiapas Farmers because "most of the people who grow corn, coffee, and other agricultural products have been seriously affected by vandalism this year."

He added that the Alliance—which will be formally constituted on 10 December in Chicomuselo—brings together "approximately 700 cattlemen, landowners, ejido members, and farmers who demand land ownership guarantees because they are desperate about their inability to invest."

The association leader stated that "the patrols" and dislodgement will be done by small landowners and their 200 men "at their own risk." The new group will be led by the presidents of the cattlemen's associations and small landowners in the aforementioned municipalities.

In light of the above, leaders of the OCEZ and OPEZ—groups that have taken over approximately 10,000 hectares of land in the aforementioned three municipalities—warned they will not leave the properties they have "recovered" since the beginning of the year.

Interviewed in this city, the leaders insisted that their comrades will not abandon the "recovered" lands and argued that the attitude of cattlemen and landowners "is aimed at increasing the atmosphere of tension and repression that prevails in that state."

They accused state and federal authorities of "looking the other way in the face of peasant demands to legally obtain these lands and of allowing landowners to take justice into their own hands, as happened days ago on the Prussia and Lubet estates."

They concluded that "these power groups have launched an assassination, harassment, and intimidation campaign against Indian and peasant movements to prevent the advancement of the peaceful struggle to recover their lands and gain democracy."

#### **Government, Chiapas Opposition Agree on Peace for 8 Dec**

*PA0612035394 Mexico City Radio ACIR Network in Spanish 0000 GMT 6 Dec 94*

[Report by Juan Carlos Escobedo from the "Evening News Panorama" newscast]

[FBIS Translated Text] Government Secretary Esteban Moctezuma announced at noon today the names of the members of his working team in that secretariat,

stressing their professionalism, efficiency, loyalty, and honor. The members were sworn in during a private ceremony.

Government Secretariat spokesman Alfonso Durazo Montano officially announced the appointments. They include Beatriz Paredes Rangel, who is under secretary of government. The former PRI [Institutional Revolutionary Party] secretary general had been in charge of the undersecretariat of political development during the previous administration. That position will be held by Luis F. Aguilar, who was president of the Luis Donaldo Colosio Change 21 Foundation. Manuel Rodriguez Arriaga is the under secretary of population and migration services. Another of today's important appointments is Humberto Lira Mora as under secretary of civil protection, prevention, and social rehabilitation. That position had been held by Socorro Diaz. Lira Mora had been the PRI's electoral action secretary until today. Fernando (Gras Rojas) is the new senior officer of the government secretary. Andres Massieu Berlanga will now be in charge of the general coordination of religious affairs. Luis Maldonado Venegas will be in charge of the government directorate general, and Agustin (Basabe) will be in charge of the political development directorate general. Jorge Tello Peon was confirmed as director of the National Security and Investigations Center.

Government Secretariat Spokesman Durazo said the government secretary urged his team to work with creativity, commitment, and conviction to show citizens that Mexicans understand each other.

[Begin Durazo recording] The secretary referred to the characteristics of his new working team, stressing its professionalism, dedication, efficiency, loyalty, and honor. He reminded them that these times require hard work to serve the country and President Ernesto Zedillo. The government secretary emphasized that the great responsibility will be to promote team dynamics to work with creativity, imagination, commitment, and conviction to show the citizens that we Mexicans understand each other. [end recording]

At 1700, the Government Secretariat spokesman announced an agreement among Government Secretary Esteban Moctezuma, Amado Avendano, former PRD [Party of the Democratic Revolution] gubernatorial candidate in Chiapas, and a delegation of the Democratic State Assembly of the People of Chiapas [AEDPCH] to guarantee peace and stability in Chiapas in view of the imminent inauguration of the state governor. With only two days before the inauguration of Governor-elect Eduardo Robledo, Government Secretariat Spokesman Durazo read a communique on the six-point agreement reached over the weekend. In general terms, the parties agreed to guarantee peace in Chiapas on 8 December.

[Begin Durazo recording] In a framework of [word indistinct] and cordiality, the following was achieved: to guarantee calm in Chiapas on 8 December, for which purpose the Government Secretariat, in the areas under

its purview, will coordinate actions with the state government; to respect the free exercise of the right to orderly and peacefully demonstrate, speak, and assemble during the events organized by the AEDPCH on 8 December; to respect the events organized by the Chiapas State government on 8 December; to avoid all confrontations and acts of provocation. [end recording]

The parties also pledged to establish mechanisms to deal with the agrarian problems, the administration of justice, Indian problems, and electoral reforms in Chiapas. The final point of the agreement established the parties' willingness to work so the federal, state, and municipal governments and the different sectors of Chiapas will come together in the search for a just, lasting, and honorable peace in that state. No questions were permitted on this occasion.

#### **New Secofi Secretary Outlines Plans To Promote Business**

PA0612013794 Mexico City EL FINANCIERO in Spanish 2 Dec 94 p 33

[Report by Lourdes Gonzalez]

[FBIS Translated Text] The new secretary of commerce has promised to implement a special program to promote and support industry, which will complement the policy to encourage foreign trade.

Herminio Blanco Mendoza announced that the country will continue negotiating other trade agreements and that Secofi [Commerce and Industrial Development Secretariat] will attempt to diversify exports and seek mechanisms to implement current agreements more efficiently.

At the ceremony in which he assumed his post as secretary of commerce and industrial development, Blanco Mendoza praised the work conducted by former Secretary Jaime Serra Puche, and he promised to continue showing the same professionalism.

Earlier, Serra Puche described Herminio Blanco Mendoza as "the most qualified person" to head Secofi. He said Blanco Mendoza is an extraordinary official who

has familiarized himself with each area under his jurisdiction and, in turn, will be able to implement the best plans and programs in each field.

Blanco Mendoza said he will continue the work conducted by Serra Puche, particularly in areas related to foreign trade. He added, however, that he will give special attention to small enterprises.

Blanco Mendoza stressed the need to eliminate obstacles still affecting small and medium-sized enterprises that lack the necessary funds to cope with specific problems or to hire specialized personnel to resolve those problems. In this regard, he said the federal government will continue to implement a decentralization policy, particularly at the state and municipal levels.

Blanco Mendoza also promised to implement a program that promotes business, as well as specific integration programs that cover the entire production process, from the purchase of raw materials to the manufacturing of final products, to guarantee success in both the domestic and international markets.

He stressed that small and medium-sized enterprises are the backbone of Mexican industry and the foundation for creating new jobs. Therefore, he added, he will dedicate his greatest efforts to this area as commerce secretary.

Blanco Mendoza said the next step in Secofi's plans is that, once pending trade agreements are finalized, exporters will be encouraged to take full advantage of the opportunities the instruments offer. He also recalled that in addition to NAFTA, which was signed with the United States and Canada, a complementary economic agreement was signed with Chile, which has made it possible to increase trade with that country by 100 percent. He also recalled that other agreements have been signed with Costa Rica, Bolivia, Colombia, and Venezuela.

Blanco Mendoza noted that Secofi was modernized over the past six years and promoted new jobs, exports, and economic growth. He vowed this would continue in the years ahead.

Finally, he promised to seek new markets for Mexican products, to negotiate new trade agreements with other countries, and to ensure that national producers take full advantage of opportunities offered by those commercial agreements.

**Costa Rica****Foreign Minister Hopes Summit Supports Smaller Nations***PA0512222694 Panama City ACAN in Spanish 1824 GMT 5 Dec 94*

[FBIS Translated Text] San Jose, 5 Dec (ACAN-EFE)—Central America expects more favorable trade and political relations for smaller and poorer nations on the continent to result from the Summit of the Americas to be held next week in Miami (USA).

Costa Rican Foreign Minister Fernando Naranjo said the summit will be a "historic meeting" for America and the world because of the topics on the agenda, the continent's current processes toward integration and trade opening, and because it is the first meeting of American leaders since the Punta del Este (Uruguay) meeting in 1967, as well as the first since the end of the Cold War.

"We are meeting at a time when the continent is more democratic and more integrated, and when human rights are being better respected," the Foreign Minister stressed in a news conference. "We hope that the Plan of Action that will emerge will support changes in the relationship between the United States and the rest of the continent," he added.

The issues to be discussed at the summit include trade; economic and financial relations on the continent; "good government"; the fight against poverty; and sustained growth, a field in which Central America "can make a good contribution," according to the Costa Rican minister.

Agreement in these areas "will guarantee the success of the summit and will create an opportunity to fight for issues vital to Central America," Naranjo added. He affirmed that the region "is optimistic because it is a good opportunity to restate hemispheric relationships."

Naranjo went on to stress the differences between the previous continental summit in 1967 in Uruguay and the current meeting, noting that since 1967 Canada has become integrated with the American continent, the Caribbean has emerged with more strength, and NAFTA has been signed.

According to Naranjo, within the framework of the summit, Central America will sign an agreement with the United States which will make the United States the first extra-regional partner of the "Alliance for Sustained Growth," which was signed by the presidents of the isthmus in Nicaragua in September.

Naranjo added it is important to recognize that the protection of natural resources is one of the "vital issues" for the future of the continent.

Naranjo said Central America will demand new conditions to join NAFTA because, as a result of this trade agreement, the region is now at a disadvantage with regard to Mexico.

"We are now in a disadvantageous position when compared with Mexico. That is why we are seeking changes within NAFTA to be admitted as special members," he stressed.

**Says Castro 'Most Qualified' To Make Changes***PA0612014194 Paris AFP in Spanish 1922 GMT 5 Dec 94*

[FBIS Translated Text] San Jose, 5 Dec (AFP)—Costa Rican Foreign Minister Fernando Naranjo said today that the Costa Rican Government believes Fidel Castro is "the most qualified" person to make the changes Cuba needs.

Naranjo held a news conference and said that Castro is the most qualified person to undertake "the changes Cuba needs to make in the next few years, because he has the moral authority and all the political power to bring them about."

The foreign minister explained that this was the position presented by President Jose Figueres during a meeting with Castro in Mexico on the occasion of the inauguration of Mexican President Ernesto Zedillo on 1 December.

The foreign minister announced that at the beginning of next year, Costa Rica will open a migration interests office in the Spanish Embassy in Havana. According to the foreign minister, Castro totally agreed with Costa Rica's request to open the office, which will process visas for Cubans with relatives in Costa Rica who will sponsor their departure from the island.

Naranjo said that after a few months, Costa Rica will decide whether to keep the office open. He did not specify the exact date the decision would be made.

**Guatemala****President To Raise Harbury Case With Clinton***PA0612025194 Guatemala City Televisiete Television in Spanish 0400 GMT 5 Dec 94*

[From the "Channel Seven News" newscast]

[FBIS Translated Text] President Ramiro De Leon Carpio announced this weekend that his government is suing U.S. citizen Jennifer Harbury and will take the case to the Inter-American Human Rights Court.

[Begin De Leon Carpio recording] We are filing defamation charges [juicio de jactancia] against her. We are using the mechanisms available to us within the legal framework. In addition, I will probably present the case to the Inter-American Human Rights Court. She claims that if we take the case to court we will be violating her human rights, which is totally absurd. I can say this because I know about human rights, considering I was a human rights ombudsman. I am sure that the court will rule in our favor in the sense that we are not violating her

human rights. On the contrary, we are resorting to the highest legal mechanism available.

I believe this case is almost over. It has already caused Guatemala too much damage. I had an opportunity to discuss the matter privately and unofficially with U.S. Vice President Al Gore, and I will also discuss it with President Clinton. We cannot let this issue continue harming Guatemala and a president who had nothing to do with it.

First, the missing person was a guerrilla commander who certainly in 17 years of guerrilla life killed many people, civilians, soldiers, and officers; left behind orphans and widows; and possibly committed terrorist acts as part of a subversive strategy. We cannot say for sure whether he killed any children. What I can say, however, is that it is only logical that he would not die in bed, but in combat. We believe he is dead, and, remember, the president of the Republic is saying this. He is not detained in any illegal jail; there are no clandestine jails. He is dead. Therefore, we will clarify this case, which is one of thousands of cases on both sides, at the national and international levels. [end recording]

#### URNG Leadership Requests 'Responsible' Talks

PA0412162394 Guatemala City PRENSA LIBRE in Spanish 1 Dec 94 p 2

[FBIS Translated Text] The leadership of the guerrilla, Guatemalan National Revolutionary Unity, URNG, yesterday asked the government of President Ramiro De Leon Carpio to conduct the ongoing peace negotiations in a responsible manner.

Doctor Luis Bekker Guzman of the URNG Political-Diplomatic Commission made the aforementioned statements, when commenting on the statements by Vice President Arturo Herbruger Asturias, who considered the possibility of establishing direct talks with the combatants in the mountains due to the lack of representation of the URNG Command.

The rebel leader dismissed the statements by Herbruger and stated that this is not a new argument because it has been repeated many times.

The URNG reaffirms its position in favor of a serious, meaningful negotiation that will have positive results for the Guatemalan society, Bekker added.

Bekker explained that Herbruger knows very well his proposal is false and that it is impossible to implement it.

The government and URNG delegations have been discussing the issue of the rights of the Indian people for two months, but so far, they have not reached a negotiated settlement.

#### URNG Claims Responsibility for Attack on Military Garrison

The URNG has inflicted a total of 28 casualties on Army troops in a guerrilla attack against the *Flor Todo Santera*

military garrison in Zone 22, located in Playa Grande, Quiche Department, according to CERIGUA.

On 22 November, the CERIGUA dispatch stated, rebel troops staged propaganda actions in the villages of Casaca, as well as Acal and Ixcán in the Departments of Huehuetenango and Quiché, respectively.

#### ASC Agrees To Deliver Substantive Documents to Moderator Arnault

The ASC [Civil Society Assembly] agreed last night to deliver three substantive issues pending discussion at the bargaining table to UN peace talks moderator Jean Arnault, who requested them from ASC President Monsignor Rodolfo Quezada Toruno.

The issues are socioeconomic aspects and agrarian reform, the strengthening of civilian authority, and the duties of the Army in a democratic society and constitutional reforms.

Quezada Toruno explained that these substantive documents have not yet been delivered to the parties because of the delay in the bilateral negotiations. He added that one must have a global vision of all the negotiations.

#### Peace Will Be Signed in 1995

Quezada Toruno added that knowing the complexity of the substantive issues, from the beginning I thought the schedule for the negotiations was unreal; I am convinced the peace accord will not be signed on 31 December as scheduled.

He repeated that the parties must not create false expectations among the people. Msgr. Quezada Toruno concluded that he is convinced that the signing of peace will be postponed to the first months of next year.

#### President Averts Custom Workers' Strike

PA0312180594 Guatemala City Televisiete Television in Spanish 0400 GMT 1 Dec 94

[From the "Channel Seven News" newscast]

[FBIS Translated Text] President Ramiro de Leon Carpio today averted a custom workers' strike that threatened to close down borders after promising to listen to workers' demands.

[Begin De Leon recording] Following problems that took place yesterday due to a misunderstanding or perhaps due to a lack of information, today we signed a document with labor leaders of the General Customs Directorate, which I quote:

A meeting was held at 1200 hours on 30 November 1994 with Mr. Ramiro de Leon Carpio, constitutional president of the Republic, together with Finance Minister Ana Ordonez de Molina, Deputy Finance Minister Pluvio Mejicanos, General Customs Director Jose Domingo Enriquez Morales, and customs workers' representatives. The meeting was to discuss the outcome of the

custom workers' general assembly, which dealt with the new law that creates the National Customs Superintendency System. The workers believed that the General Customs Directorate and related offices would be shut down. The president explained to workers' representatives that the executive branch has no intention of eliminating the General Customs Directorate, because this would be totally unconstitutional, as the state is tasked with levying and collecting taxes and this cannot be delegated. Furthermore, support has been given to the general customs director to implement projects that prevent customs inefficiencies. [end recording]

### President Welcomes Approval of Tax Reforms

PA0312224694 Guatemala City Teleonce Television in Spanish 1900 GMT 1 Dec 94

[From the "Telepress" newscast]

[FBIS Translated Text] President Ramiro de Leon Carpio said on Thursday that he is pleased with the congressional approval of the tax reforms and budget, and he added that this will help clean up public finances by applying the principles of fairness, equity, and an individual's ability to pay.

[Begin De Leon recording] This will serve to clean up public finances, not only in terms of resolving the current crisis, but also for the future. This is meaningful because it is not this administration that will receive these benefits, but the incoming one as well. [four-second break in reception] ...sustained public finances. In 1996, when the new administration takes office, it will not need to start out, as has often been the case in the past, by negotiating a new fiscal reform, because it will find several billion quetzals available to openly invest for the benefit of the people of Guatemala. Therefore, it is the people of Guatemala who have benefited from the approval of these fiscal reforms.

Regarding fiscal crime, the people of Guatemala are pleased that Congress has created instruments to ensure that all those who have pocketed VAT [value-added tax] payments in the past cannot retain the money. If they hold onto that money, they will be punished, and, in extreme cases, they will be tried and sent to jail for stealing from the people. This certainly benefits the people, and the people have supported and are still supporting this.

Tax reforms, therefore, are good for Guatemala and will serve to fight poverty. If the peace agreements are signed, the tax reforms will guarantee lasting peace. We hope these peace agreements are signed soon, because what good would it be to sign them if we do not have the resources to strengthen peace and to address the many needs of the people of Guatemala? The second part of the national peace plan is specifically to fight poverty and to fill the people's essential needs, and this can only be accomplished through state resources.

To summarize, I believe that administrative reforms are also essential. We will not only reform, increase the efficiency, and expedite the payment of taxes, but we will also efficiently collect taxes and punish those who fail to pay. I believe the Guatemalan people are satisfied. There is a new Congress that has displayed its responsibility, maturity, and love for Guatemala. I believe this is the first time there has been an agreement between two government branches to ensure that Guatemala can develop both socially and economically.

As I said before, we are about to attain peace following nearly 34 years of civil war—a war that brought about death, grief, mourning, orphans, widows, desolation, desperation, and, most of all, the breakup of the Guatemalan family. We have overcome democratic and institutional crises; the system has been strengthened; we have managed to overcome political problems; and today we are facing humanity's greatest challenge: extreme poverty and social injustice. Everyone—entrepreneurs, workers, peasants, professional people, and church people—all of those who represent Guatemalan society have to again sit down and try to reach a national agreement to ensure that the country comes out ahead. We need to respect not only individual human rights—life, safety [words indistinct] liberty, and security—but also to respect economic, social, and cultural human rights. In other words, we need to respect the family, education, work, food, housing, and everything necessary to ensure that Guatemalans lead a dignified life. [end recording]

### Rios Montt Elected President of Congress

PA0512022394 Guatemala City Teleonce Television in Spanish 1900 GMT 2 Dec 94

[From the "Telepress" newscast—monitored in progress]

[FBIS Translated Text] ...of today's parliamentary session, in which the new Congress Board of Directors was elected. General Efraim Rios Montt will preside over the new board. The new Board of Directors of Congress elected today will assume office on 14 January and will serve until 14 January 1996. Also on that date, the new president of the Republic, who will be elected in next year's elections, will be inaugurated.

This raises the question of whether Gen. Efraim Rios Montt will remain Congress president for the full one-year period, after the Guatemalan Republican Front expressed its desire to nominate him to run for president despite the constitutional impediments he would face. For the time being, Gen. Efraim Rios Montt is president-elect of Congress.

### Army Spokeswoman Cited on UN Expert's Statements

PA0312013794 Guatemala City LA REPUBLICA in Spanish 1 Dec 94 p 4

[FBIS Translated Text] Commenting on the statements made by UN independent expert Monica Pinto, Edith

Vargas, spokeswoman for the Information and Press Department of the Army (DIDE), said yesterday "the country is talking of militarization, because we are still living through an internal armed conflict."

Vargas added that the Army respects the opinion of the UN expert and that her point of view on the militarization is the result of the armed conflict, which the country has experienced for the past 34 years, but "this conflict is not ruling the lives of Guatemalans."

She said Pinto's statement could also be the result of an attack which was perpetrated by the Guatemalan National Revolutionary Unit (URNG) on an Army detachment in Playa Grande, Quiche, and which left one soldier dead and 25 wounded.

Vargas spoke about the appointment of the new government deputy minister, saying he is a high-ranking military officer, but this appointment is the decision of President Ramiro De Leon Carpio, who appoints all high-ranking government officials.

### Honduras

#### Editorial Views U.S. GATT Approval, NAFTA

PA0612025394 San Pedro Sula TIEMPO in Spanish 5 Dec 94 p 8

[Editorial: "The United States in GATT and Its Effects on Latin America"]

[FBIS Translated Text] The U.S. Congress' approval of the GATT is an important step in world trade relationships and therefore will have important consequences for Latin America.

U.S. adherence to the GATT has been the source of bitter controversy in the United States, where it has met with strong opposition from important industrial and service sectors, primarily from unions in the agricultural and textile sectors, which will now lose the government's protection.

Despite the Democrat's loss of control in Congress—the House of Representatives and the Senate—President Clinton gained an extraordinary victory with the approval of GATT, which is even more significant because Republicans and Democrats in the Senate voted in the same proportion; that is, 76/76 votes [as published]—giving this action a preeminent spirit of national unity.

The U.S. adherence to GATT will accelerate the ratification process in those countries which have not taken this legislative step. At any rate, the GATT—already ratified by 40 countries and up for ratification this month by 40 more countries—will go into effect on 1 January 1995 with the participation of the industrialized nations.

The concern of underdeveloped countries such as ours lies, on the one hand, in the difficulty involved in facing

the more aggressive competition of the industrialized nations, and, on the other hand, from the more developed Latin American countries with regard to Central America.

For Honduras, the prospects are even more difficult because our economy is the least dynamic in the region. The essence of this issue is that the world has aligned itself according to a free enterprise, free competition model, and the GATT is a basic part of that process. That is why even critics in the United States justified their final support for GATT by acknowledging that if it was not ratified, the United States would remain isolated from the international trade accord.

The significance for us is the same but more problematic. In the first place, it implies the need for rapid changes in thinking, above all regarding production and the relationship between labor and capital.

At a hemispheric level, the Central American nations are obligated to act in unison—like at the Summit of the Americas—to obtain satisfactory inclusion in NAFTA. In the specific case of Honduras, the only alternative is to modernize and vitalize its production system, based on productivity, efficiency, and quality.

The results of this objective implies the creation and systematic application of very clear, specific, short-term and intermediate policies. The Honduran businessman's mentality must be in harmony with the worldwide evolution, and the labor sector must do the same, intelligently and responsibly.

In that sense, the efforts to update labor legislation are very important and require a visionary attitude from businessmen, laborers, and politicians. To try to forcefully maintain obsolete principles and practices—which have failed—in the creation of new management-labor relations is—aside from being absurd—suicide for the nation's productivity.

The speed at which the world is changing, now intensified by U.S. participation in GATT, necessitates a rapid change in Honduras toward modern views of economic and social development, with the participation of all sectors, through modern, qualified, political leadership.

### Nicaragua

#### Chamorro To Call For Expanded Trade Unity at Summit

PA0512224794 Panama City ACAN in Spanish 2151 GMT 5 Dec 94

[FBIS Translated Text] Managua, 5 Dec (ACAN-EFE)—Presidency Minister Antonio Lacayo said today that the Violeta Chamorro administration will call for expanded trade unity on the American continent at the Summit of the Americas.

The summit will begin on 9 December in Miami with 34 democratic heads of state from the continent participating.

In brief remarks to journalists about Nicaragua's position at the summit, Lacayo said: "We are going with the hope that the unity the Central Americans have been achieving in commerce will be expanded throughout the American continent."

He said Nicaragua will work toward making the United States "see Latin America again as part of the future of stability and peace that is already gaining strength on this continent."

Lacayo said America "is the only continent where democracy has taken root and where we live in peace. We think this is a great advantage in achieving the goal of making this the most dynamic continent and the best place to live in the world in the 21st century."

The minister, President Chamorro's son-in-law, made these remarks after participating here in "the First National Meeting on Nicaragua and New Opportunities for Building the Nation." At this forum, attended by 1,500 young people, the presidency minister announced that before the end of the year, the entire cabinet will meet to study young people's problems "so they might be more effectively addressed."

#### **Sandinist General Denies EPS Changes Aimed at Pleasing U.S.**

PA0312180394 Managua BARRICADA in Spanish 1  
Dec 94 pp 1, 2

[Report by Leonardo Coca Palacios—all quotation marks, italics as published]

[FBIS Translated Text] Major General Joaquin Cuadra Lacayo, chief of the EPS [Sandinist People's Army] General Staff, denied that "the changes taking place within the EPS are aimed at pleasing the U.S. Department of State, much less Republican Senator Jesse Helms, since we could care less."

According to Cuadra "we are implementing these changes because they are essential for the Nicaraguan Armed Forces to adjust to the new circumstances."

Yesterday, Cuadra took part in the first promotion of 136 sergeants who graduated from the *Sargento Andres Castro* National Sergeants Academy, which was created on 1 June.

During his address before the graduating sergeants, Cuadra recommended that they "always keep their commitment to the country in mind so that they may know how to honor Andres Castro's memory and give their lives for Nicaragua."

The general stressed that "the EPS has been consistent in its process of institutionalization, and has taken the

Nicaraguan peoples desire for democracy, peace and progress into consideration."

Cuadra added: "I believe the EPS has demonstrated sufficient maturity and has contributed sufficiently to the process of democratization. In addition, we have achieved a degree of unity the political parties have failed to accomplish."

"The common enemies we must all confront are poverty, underdevelopment, and crime. It is for this reason that the *Constitutional reforms* are critical, and must be carried out to unite all Nicaraguans and strengthen the country's political and legal regime," the EPS officer pointed out.

#### **Personal Style**

With respect to General Humberto Ortega's official visit to Havana, Cuadra explained that "it is an official visit intended to strengthen the friendship and mutual cooperation ties with the Cuban Revolutionary Armed Forces [FAR]."

"Talks are part of the official visit agenda, but I am unaware of the content; however I do know that issues related to weapons maintenance and spare parts will be discussed."

Also attending the sergeants graduation ceremony were representatives from the Government Ministry, the EPS General High Command, military attaches from the Cuban, U.S., and Russian Embassies.

As to his possible appointment as Army chief, Cuadra said that "that issue is in the hands of the president. If Mrs. Chamorro approves the proposal made by the general high command, then I will take over the position."

The general ruled out the likelihood of appointing Ortega as a personal adviser. Ortega, who has already indicated that he plans to retire from active military duty, will transfer command this next 2 February.

"Each of us has our own style of doing things. I have mine, and I am not criticizing the way in which Gen. Ortega did his. What I am trying to say is that we will continue strengthening the EPS' legal status."

At the conclusion of the graduation ceremony, the new sergeants provided a demonstration of their physical aptitude and the technical expertise they had acquired during the past six months.

#### **Sandinists Say 'Purge' To Increase Isolation**

PA0612043794 Managua EL NUEVO DIARIO in Spanish 5 Dec 94 pp 1, 2

[Report by Edgard Barberena S.]

[FBIS Translated Text] Deputies from the FSLN [Sandinist National Liberation Front] and other Sandinist

groups that question the righteousness of the "Democratic Left" have agreed that, via the "purge" orthodox groups are conducting against members of the National Directorate, the international isolation the FSLN has experienced since May, when the "inquisition" began within the Sandinist ranks, will increase.

During a conversation with EL NUEVO DIARIO on Sunday, Mr. Reynaldo Antonio Tefel from the MRS [Sandinist Renewal Movement], after being asked about the "purge" denounced by Mr. Sergio Ramirez, said it will be another step taken by orthodox Sandinist groups to close all doors to a profound renewal of the FSLN.

Tefel said that, through actions of this nature, the orthodox groups "have made it very clear that a renewal process cannot take place within official structures; instead, it must take place in the Sandinist movement in terms of the people and various social sectors of the country seeking a national and democratic renewal, because it is not only a matter of renovating the Sandinist movement but, rather, revamping the entire country."

Tefel noted that the orthodox groups have waged a "ferocious" campaign against the Sandinist deputies, the MRS, and the National Assembly with the purpose of preventing the constitutional reforms from being approved and with the intention of totally destroying "those of us who want a deep renewal of the Sandinist movement and the country."

The legislator also said the new "purge" will make the MRS more accessible to both Sandinist and non-Sandinist people as a great national movement of democratic renovation, which, because of its own dynamics, will tend to become the people's party.

#### How They View the World

Tefel said the conservative groups within the FSLN continue to think that the world is just as it was a decade ago. By adopting inflexible positions, by imposing themselves through the party's official structures, and by expelling those who do not think like them, they believe they will have the people's support, and "that is where they are wrong."

The legislator added, "They will have a certain sector of the party supporting them, but not the people." He predicted that if they participate in the elections alone, they will not get 10 percent of the vote.

#### Radical Groups Contradict Themselves

Tefel noted a contradiction between what the Sandinist Assembly agreed on in September when Daniel Ortega was "appointed chief" of the Sandinist legislative bloc, a position he was never able to hold, and the new decision made by the orthodox members of the National Directorate to appoint Nathan Sevilla as the new chief of the orthodox "legislative bloc."

He noted that Nathan Sevilla has already started working as chief of the "small legislative bloc" of the "Democratic Left." In the latest National Assembly session, "when we were holding a debate on the reforms of the National Assembly's statutes, he did not make one reference to the statutes but, rather, to the ideas upheld by the orthodox group. On that occasion, I addressed him as chief of the small 'legislative bloc' without knowing he had already been designated for that post."

#### They Will Rubber Stamp the Bill

Carlos Gallo, also a member of the Sandinist legislative bloc, when asked about the "purge" to be carried out next weekend, said the plan of the old FSLN party members to expel all MRS members is being executed. "Here the hardliners are starting to 'rubber stamp the bill' and impose themselves on the four members of the National Directorate who are promoting the party's renewal."

#### Daniel's Illness Will Have Effect

The legislator said the MRS was not born to divide the Sandinist movement, but to transform and modernize it. "But those who are closing the doors are those from the 'Democratic Left.' To expel four members of the party's National Political Directorate is to clear the way to ensure they are left alone," Gallo said.

He said the threats "will not force us to become a new political party. [no closing quotation marks as published] The MRS will continue working from within the FSLN, because our main duty is to seek ways to work with the Sandinist rank and file and not to fight for the apparatus (the official structure of the FSLN).

Gallo said that with former President Daniel Ortega's illness in Cuba, the FSLN hardliners will impose themselves and will achieve the total control of the party.

#### Another Sandinist Sector Speaks

Speaking for another FSLN sector that identifies itself as "Sandinism for a National Project," Francisco de Asis Fernandez ("Chichi"), when questioned about Ramirez's charges, said he believes both sectors (the Democratic Left and MRS) are just playing around. "The latter is waiting to be kicked out and the former is waiting for the other to leave."

Fernandez believes the MRS is hesitating, "because we are all shooting for that 60 percent that does not know who to vote for. This portion of the population will move toward the sector with the clearest positions," he said.

He said the MRS has to try to adopt clearer positions, as well as to move toward the renovation of positions through its leadership and its proposals. "I am not talking about utopian matters, because we cannot be tied to political proposals or positions that were valid in the past."

**He Believes Sergio Ramirez is the Solution**

"Chichi" said he believes Sergio Ramirez is a real option for Nicaragua. He also said representatives from other sectors of society should be included in the MRS structures at a national level. "It is not a matter here of renovating Sandinism, but of renovating society."

As for the "purges," he said you cannot "purge someone who is not included in your program." The Sandinist politician added: "That has already been clarified. The things happening here are political maneuvers from both sides, and this is why I say the MRS must clearly define its positions."

**An Academician Speaks**

Meanwhile, Dr. Carlos Tunnermann, when asked about the imminent "purge," said this confirms that the group led by Daniel Ortega continues with its plan to exclude from the party's structures all of those who oppose the way things are being run in the party.

"All of those who favor a renewal within the FSLN will have to endure the same things experienced by Sergio Ramirez at the last congress. They are going to be 'purged,' and then there will be another 'purge' at the Sandinist Assembly," he said.

Tunnermann said that if Sergio Ramirez's charges in Malpaisillo are confirmed, it would mean the orthodox group has very clear and well-drafted plans to "cleanse" party structures.

**There Will Be More Resignations From Party Ranks**

The former official of the Sandinist administration predicts a wave of resignations from the FSLN party ranks, and this will become an unstoppable movement because we do not see any actions being taken to correct the mistakes that are being committed. "They think they are living in an environment similar to the one that existed in previous years. They think the FSLN can continue to be inflexible. It is a party that does not practice internal democracy," he said.

Tunnermann, who handles relations with political parties from around the world, said the next "purge" will continue to have a negative impact on the FSLN, "just as the resignations (of Patricia Belli and Ernesto Cardenal) and the events at BARRICADA did. It has been one of the most serious things that has happened and which has caused an impact abroad," he said.

He said the international media frequently speak of the FSLN's poor image, which increasingly appears deteriorated in thousands of pages of newspapers and magazines and in the electronic media, all of which are following the FSLN crisis.

Finally, he said he does not foresee any kind of unity within the FSLN, and, therefore, the MRS must start thinking about becoming something new, as well as

about providing real solutions for large Sandinist segments that want a new FSLN capable of adopting new strategies to face the difficult moments experienced by Nicaraguan society.

**Relations With Cuba Reviewed**

95CA0047A Havana GRANMA INTERNATIONAL in English 2 Nov 94 p 14

[Article by Orlando Orama Leon: "How Are Links Between Cuba and Nicaragua?"]

[FBIS Transcribed Text] It is well known that Cuba and Nicaragua maintained close links during the Sandinista government and that Cuba offered its assistance in numerous facets of Nicaraguan life and that country's economy.

Our teachers took part in the literacy campaign during the first years of the Sandinista Revolution, Cuban construction workers built houses on Nicaragua's Atlantic Coast, where a Cuban ship carrying food, medicines and even clothes and household goods for the inhabitants of this vast zone regularly docked.

Those were also the years in which oil came from Cuba for blockaded and besieged Nicaragua. In that period the Cuban military advised the Sandinista People's Army, confronted by the dirty war instigated by Washington, while brigades of internationalist doctors offered their services in all of the departments of the country. At the same time, there was a hospital in Havana almost completely devoted to giving free medical attention to Nicaraguan patients, who traveled to Havana on Cubana Airlines' four weekly flights to and from Managua.

Two paragraphs obviously can't sum up, much less put a price on the significance and the amount of help given by the Cuban government and people to a sister nation. However, it is no secret that these relations were conspicuously reduced following the electoral defeat of the Sandinista National Liberation Front (FSLN).

Four years on, there are those who consider that there are scarcely any links between Havana and Managua. Many people attribute this to strong political motivations, since shortly after taking power the Violeta Barrios de Chamorro government put an end to the extensive cooperation with Cuba.

With this in mind, I interviewed Ramon Vazquez, the new acting charge d'affaires in the Nicaraguan embassy. At 32, he is probably the youngest head of a mission in the Havana diplomatic corps. A graduate in international trade in the former Soviet Union, he went on to have a prominent career, first in Moscow and then in Tehran.

Ramon Vazquez spoke to us in his modest but pleasant office. The embassy changed its venue in order to

economize and the old one now houses an Arab diplomatic mission. Despite mutual economic difficulties, he assured us that relations are adapting and continue under present conditions:

"There are examples of this," he indicated. "From 1979 until 1993, 3,500 Nicaraguan students graduated from Cuban educational centers. So far this year 246 young people went back to Nicaragua with degrees, of these more than 100 university graduates. Next year there will be 85, 120 will graduate in 1996 and 72 in 1997, including 27 doctors, whom the country needs so much. Not only that, but in the year 2000, although the numbers will be smaller, there will still be Nicaraguans graduating here."

Vazquez assured us that links aren't restricted to education. He recalled that there is a Cuban medical brigade working in Managua and that Cuban specialists have functioned as advisors on hygiene and epidemiology, among other specialities.

Following the privatization process in Nicaragua, many contacts are made without the mediation of the embassy. Nicaraguan businesspeople contract Cuban specialists or sign agreements directly with Cuban companies.

Progress has been made in other fields in a modest way. Whether through government or private channels, Nicaragua has exported to Cuba grains, lumber and spare parts for agricultural machinery manufactured by the former socialist block. Cuba, in turn, sends iron products, medicines, vaccines, technology and sugar refining equipment. "It is not large-scale trade, but things are obviously moving," Vazquez commented.

The Nicaraguan representative did not want to let the opportunity go by to state, "My government is against the blockade imposed on Cuba. We have already suffered from a blockade and we have experienced the consequences for ourselves." A native of the rebel and indigenous Monimbo neighborhood of Masaya, Ramon Vazquez arrived in Cuba last July 19 (the anniversary of the overflow of the Somoza dictatorship) and his current appointment was issued in Managua this year on July 26 (the anniversary of the assault on the Moncada barracks). "They are, coincidentally, transcendental dates in the history of our two countries. This is symbolic of my aim of bringing us closer together."

### **Panama**

#### **President To Push Education Center at Miami Summit**

PA0612005294 Panama City ACAN in Spanish 2251  
GMT 5 Dec 94

[FBIS Translated Text] Panama City, 5 Dec (ACAN-EFE)—At the Summit of the Americas to be held in Miami this weekend, Panamanian President Ernesto Perez Balladares will propose creating a continental

university in the reverted areas of the Panama Canal Zone, which will be known as "The City of Knowledge."

Panamanian Government sources told ACAN-EFE that in his speech to the 34 regional presidents who will attend the summit, Perez Balladares will give special emphasis to the project to create the "University of the Americas" in his country.

In Miami, Perez Balladares will try to obtain the support of his regional counterparts to carry out the university project, parts of which, according to the sources, could be ready within three years.

The university campus, which could be located on Albrook Air Force Base (approximately 500 hectares) or at the former School of the Americas (in the Atlantic city of Colon), will include centers for higher studies (four-year curricula) and schools specializing in various academic fields.

Universities from across the world could open educational centers in "The City of Knowledge," which would be directed by a nonprofit foundation. The universities would be responsible for the academic programs, the hiring of professors, and operation of the centers.

According to the sources, countries such as Israel and the United States have shown interest in the university project, and it is expected that Latin American nations also will be interested.

Schools of high technology, computer science, health, and tropical studies; maritime research and port construction centers; and political study centers are some of the facilities on which the promoters are already working.

Over the next three years, the Panamanian Government plans to promote the project worldwide and obtain the necessary financial support to open the first centers for higher studies by 1997.

The Panamanian Government has already discussed the project in cabinet meetings, and, according to the sources, approximately \$2 million will be earmarked for its promotion and distribution of initial publications on the university campus.

Panamanian Foreign Minister Gabriel Lewis Galindo is the main promoter of the idea, which he has already presented at political and academic forums in the United States.

Perez Balladares and the delegation accompanying him to the "Summit of the Americas" will travel to Miami next Friday and will return on Monday, 12 December.

In addition to the "University of the Americas," Perez Balladares will mention the key issues that are matters of concern for Latin American presidents, such as joining NAFTA, sustained development, and the problems of drug trafficking and money laundering.

**President Hopes U.S. Senate Ratifies Legal Treaty 'Soon'***PA0412202594 Panama City LA PRENSA in Spanish 4 Dec 94 p 2*

[Report by Jose Otero]

[FBIS Translated Text] President Ernesto Perez Balladares said that it is necessary and urgent that the U.S. Government ratify the Mutual Legal Assistance Treaty [MLAT] soon. The treaty, which was signed in 1991, establishes rules on penal matters between the two countries.

The MLAT was signed on 11 April 1991 by Panama and the United States and was approved by the Legislative Assembly under Law No. 20 of 22 July 1991. But surprisingly, the U.S. Senate has still not ratified it.

"We believe that it is time that the wish of the two countries be complied with and that the MLAT be approved. Panama has already complied, but the United States has still not ratified this treaty," Perez Balladares added.

The treaty establishes, in accordance with international law, the receipt, study, and acknowledgement of legal assistance requests to and from the United States, search and seizure requests, and the transfer of people under custody to testify.

The treaty also includes the ratification of documents, locating people, the exchange of information to do with the investigation, trial, and crime suppression, and freezing seizable assets.

Perez Balladares explained that he trusts that the U.S. Senate will ratify this treaty soon, but added that this is an autonomous U.S. Senate decision in which Panama will not exert any influence.

Despite the fact that the Senate has not decided on the issue, we do know that President Clinton is doing his very best to support this treaty, Perez Balladares said.

**Farmers To Be Protected Following Membership in GATT***PA0512023894 Panama City EL SIGLO in Spanish 4 Dec 94 p 6*

[Report by Magaly Rocio Montilla]

[FBIS Translated Text] The Agricultural Development Ministry (Mida) will protect small and medium-scale farmers in light of Panama's upcoming membership in GATT, according to Agricultural Development Minister Carlos Sousa Lennox.

The official pointed out that Mida will protect the nation's small-, medium-, and large-scale farmers, and, with this goal in mind, the ministry is implementing a development plan that includes measures to catch up with other countries in the region.

Sousa Lennox said comprehensive programs are being implemented in various provinces on how to use land effectively to ensure that required subsistence levels are achieved, as well as on how to raise the nutritional levels of the population in specific regions and in the entire country. These programs also are intended to generate a surplus that will allow small-, medium-, and large-scale farmers to market their goods at any given time and, in this way, increase their efficiency and productivity.

National authorities and farmers are working together in preparation for the second round of talks on 15 February 1995, following the first round of talks in Washington on Panama's membership in GATT, which creates a new economic model that requires national producers to be efficient.

**Spanish Embassy Confirms Cuban Rafters To Travel to Spain***PA0612164194 Panama City LA PRENSA in Spanish 6 Dec 94 p A-3*

[Report by Manuel Alvarez Cedenio]

[FBIS Translated Text] Spanish Embassy sources in Panama City have confirmed approximately 150 rafters from Panama and Guantanamo will travel on 8 December to Spain, where the administration of Felipe Gonzalez has granted them refuge.

Thirty thousand rafters are staying in camps in Guantanamo and Panama under U.S. jurisdiction, and a group of approximately 150 of them will travel to Spain between 8 and 9 December due to the efforts of their Spanish relatives.

Spanish diplomatic sources in Panama City have confirmed to LA PRENSA that a Spanish Foreign Ministry delegation has been in Panama since 3 December. The delegation is headed by Gloria Bodelon, assistant director of the Asylum Department.

The delegation is in Panama to formalize the agreement and to examine the situation of the rafters who are to travel to Spain, and its members met at Howard Air Force Base yesterday with 21 rafters who arrived from Guantanamo.

It has been disclosed that 60 percent of the rafters who will travel to Spain are from the camps in Panama, and the remaining 40 percent are from the U.S. base in Guantanamo, Cuba.

Approximately 8,300 rafters are in Panama due to an agreement signed with the United States, whereby 10,000 Cubans were to be allowed to be in Panama for six months, staying at four camps in the Canal area under U.S. jurisdiction.

The rafters will travel to Spain on a Spanair flight, in an operation coordinated directly by the Spanish authorities and the Southern Command based in the Canal area.

## Argentina

### Menem To Appeal to Castro at Miami Summit

PY0612004294 Buenos Aires TELAM in Spanish 1758  
GMT 5 Dec 94

[FBIS Translated Text] Buenos Aires, 5 Dec (TELAM)—President Carlos Menem today stressed that he will not give Fidel Castro a tongue-lashing during the Miami hemispheric summit, and that he will ask Castro to call on the Cuban people to elect the persons who will govern them.

"I will not give a tongue-lashing to Fidel Castro, who has headed the government for 36 years now; I will ask him nicely, very pleasantly, to call on the Cuban people to elect the persons who will govern them," Menem said.

Menem had a telephone conversation with Nicolas Repetto, a television entertainer, on the occasion of the first episode of the feature program "Nico," aired by Telefe.

The head of state said he was sorry that he could not go to the television station because he was presiding over a cabinet meeting.

During the telephone conversation, Menem warned that Fidel "has led the Cuban people for 36 years now, some of whom have left by sea risking their lives due to the sharks."

Asked whether U.S. President Bill Clinton would be happy if there were a change in Cuba, Menem said that "all those in the world who live in democracy would be happy."

The president stressed that "we are friends and there have never been problems" with Economy Minister Domingo Cavallo. [sentence as received]

In an informal tone, Menem said that "if all goes well for me on 14 May, I will have 10 years" of government, until 1999, and added that "I will return in the year 2003."

Making a humorous comment on whether or not he will be reelected, the head of state maintained that if he wins the next election, "I will have no need to take off the presidential sash." He then said that "I do not have it sewn to my suit."

### Envoy to U.S. Interviewed on Summit, Trade

PY0512231294 Buenos Aires LA NACION in Spanish 4  
Dec 94 p 12

[Interview with Raul Granillo Ocampo, ambassador to the United States, by correspondent Fernan Saguier in Washington; date not given]

[FBIS Translated Text] Washington—Five days before the beginning of the Miami presidential summit, which will bring together 34 presidents of the hemisphere, Argentina was able to include on the trade related agenda

of the meeting the proviso that the year 2005 be set as a target date to conclude the negotiations that will result in the declaration of the entire American continent as a free trade zone.

Thus, for the first time during the preparations for the meeting there is now a set date for the creation of a great market that will be free of tariffs and customs duties barriers. At any rate, it was made clear that some 15 more years after the year 2005 will be needed to implement what will be negotiated.

This was told to LA NACION by Raul Granillo Ocampo, Argentine ambassador to the United States, in a review of the meeting of heads of state of the Americas.

Although the diplomat said that he was satisfied with what has been achieved, he stated that he will insist that the date be brought forward to the year 2000, which had been proposed initially.

"All doubts have been eliminated. The date was necessary. We had no concrete ideas or any type of document 3 months ago, but with the impending summit, matters were advanced somewhat," Granillo said.

Argentina has as a starting point the incentive of regional integration processes such as NAFTA and the Mercosur [Common Market of the South] and the gradual harmonization of their rules and regulations.

[Saguier] What does Argentina want from the summit?

[Granillo] What we have already achieved: That the documents contain action plans that demonstrate how commitments can be implemented and not be just mere statements of principles.

[Saguier] Can the date that figures on the agenda, which has given rise to so many expectations, fail to be approved by the presidents due to a lack of agreement?

[Granillo] The document contains a minimum agreement. The presidents can add anything they like, but the commitment has already been assumed by all of the countries.

[Saguier] When will the people begin to perceive the benefits of this?

[Granillo] They will not perceive an impact in the year 2000; they will begin to perceive it earlier, because the regional integration processes are already paying dividends. In the case of Mercosur, the advantages are evident. A consumer market of 200 million persons—and not one of just 33 million persons—has been created.

[Saguier] What happened to the Argentine proposal that called for the summit to declare the Americas a zone free from subsidies?

[Granillo] It has been included, not as a specific chapter, but within the objectives.

[Saguier] But, will it emerge from the summit, or do we have to wait for it in the medium term?

[Granillo] It will take some time because there are many problems with regard to its implementation. It has to be reconciled with the GATT, among others.

[Saguier] Will the North Americans make a resounding announcement, or will they be satisfied with the date?

[Granillo] They might add a declaration announcing the beginning of the negotiations for Chile's incorporation into NAFTA. This would be good because it would demonstrate that the regionalism is open and that the desire to expand that agreement is in force.

**Economy Minister Departs for New York Seminar**  
PY0212170894 Buenos Aires TELAM in Spanish 1313 GMT 2 Dec 94

[FBIS Translated Text] Buenos Aires, 2 Dec (TELAM)—Economy Minister Domingo Cavallo last night traveled to New York, where he will participate in a seminar on economic policies in Latin America.

Economy Ministry sources this morning reported that Cavallo will return to our country on 5 December.

**Camilion Defends Pampa to U.S. Air Force Panel**  
PY0512223194 Buenos Aires CLARIN in Spanish 4 Dec 94 p 5

[FBIS Translated Text] Defense Minister Oscar Camilion stressed on 3 December that the Pampa 2000 training plane has not been definitively rejected. "Only a preliminary opinion has been given by an analytical panel of the U.S. Air Force to the effect that some maneuvers are too complex for a primary training plane," he said.

The minister added that the Argentine Government "always believed that the Pampa plane is not a primary training plane, but a plane for advanced training. [no closing quotation mark as published] Camilion was asked if the difficulties with the Pampa that have emerged during the past few days are the fault of the lobby [preceding word in English] efforts carried out by the Cessna Enterprise. "That is going somewhat too far," he said, but he did note that "in the bids for products for the Pentagon, there is always a lot of lobbying."

## Brazil

**Foreign Minister Discusses Trade, U.S. Ties**  
PY0212173994 Rio de Janeiro JORNAL DO BRASIL in Portuguese 27 Nov 94 p 18

[Report on interview with Foreign Minister Celso Amorim by special correspondent Claudia de Souza in the embassy in Brussels on 23 November]

[FBIS Translated Text]

## UN Security Council

"Brazil cannot but demonstrate its availability and willingness to become a member of the UN Security Council. During the UN General Assembly, three countries received support for their candidacies to become eventual members: Germany, Japan, and Brazil. As U.S. Defense Secretary William Perry said in Itamaraty recently, Brazil projects itself globally. We will support Argentina's own candidacy with pleasure. If there has to be a single Latin American member, let the one who has the most chances receive the support of the rest."

## Relations With the United States

"They hadn't been better in a long time. The consolidation of the democratic process has a lot to do with this. While in the United States they speak of good government [preceding two words in English], here we practice ethics in politics. The liberation of the economy and the control of the inflation rate have also helped. Besides this, the Treaty of Tlatelolco, guaranteeing nuclear non-proliferation, has come into effect for us and we have signed an agreement with the International Atomic Energy Agency (IAEA). After years of having been excluded, a science and technology agreement was signed with the United States. Brazil was withdrawn from the list of countries whose sensitive products had to be monitored. We received positive U.S. support during the closing stage of the Uruguay Round of talks of the GATT. We also reached an agreement regarding intellectual property rights. Brazil was withdrawn from the list of countries investigated by U.S. Commerce authorities and liable to be punished by the Special 301 law."

## Sivam [Amazon Region Surveillance System] Project

"Itamaraty did not participate in the evaluation of the Sivam projects in order to avoid political connotations. Its evaluation was technical and economic, and not only in relation to the technological and financial conditions that were presented. The United States made the best offer and it won."

## Drug Trafficking

"It is a problem that demands international cooperation, but it is important that such cooperation be carried out within a framework of respect for the sovereignty of the states. The presence of foreign agencies in our national territory is not acceptable for Brazil. The cooperation agreement in this field with the United States is longstanding and it involves a small volume of resources. One of the problems regarding this subject is that it cannot be faced without resources. This subject must reach a higher level in Itamaraty because it is currently being dealt with at a lower level that must also deal with many other problems."

## Mercosur [Common Market of the South]

"Brazilian exporters will never lose the access they already have. What will now happen is that exports to

the partner Mercosur countries will increase. Import tariffs will be reduced automatically in a linear manner until they reach zero in order to avoid sudden tariff drops and to allow producers to prepare themselves for the new situation. During the summit meeting in Ouro Preto in December, we will conclude the whole process, and trade involving more than 90 percent of products will be totally liberated through a zero import tariff. The remaining 10 percent of the products will be freed over a period of four years."

"This will be a defined issue and it will not have to be negotiated. Therefore, this stage of trade liberation is ready. As for the Common External Tariff, by 1 January we will have the same tariff for 90 percent of all the items. We already have a timetable to reach the same tariff for the remaining 10 percent of the products. Of this 10 percent, most of the items are scheduled to be liberalized by 2001 and a very small number of products will be liberalized by 2006."

#### Conflicts With Argentina

"Bilateral Argentine-Brazilian Mercosur affairs are being handled without confrontation. There is a spirit that leads us to search for the most reasonable solution for the four countries, and absurd demands have no longer been posed. In the case of the car manufacturing industry, which is a sensitive matter for Argentines, there was a frank conversation, and—as a result of this—they will seek to remove all obstacles affecting spare parts. Concerning wheat, Finance Minister Ciro Gomes promised to consider imposing again a 10-percent tariff on wheat coming from other countries. Government purchases, like those by Petrobras [Brazilian Petroleum Corporation], were also under discussion during the last meeting between ministers of the two countries, while the possibility of giving Mercosur producers the same treatment given to local producers is being studied."

#### Chile

"What we want is to build as many bridges as possible, so that this country may become a full Mercosur member. In the meantime, we would at least like to have as broad a free trade area as possible."

#### Africa

"Changes in South Africa, the independence of Namibia, the elections in Mozambique, and the peace process in Angola have turned the southern African cone into a region of enormous potential for Brazil. A free trade zone with the countries of that region will certainly be on the agenda of the next government. Our trade with South Africa has grown at an annual rate of \$100 billion [figure as published]."

#### PF Say Rio State Cocaine Route for 23 Countries

PY0612022194 Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Dec 94 Section 1 p 20

[By Ricardo Feltrin in Rio de Janeiro]

[FBIS Translated Text] In a confidential report, the Federal Police [PF] have noted that the state of Rio de Janeiro is at present being used as a route for sending cocaine to 23 countries of Europe, Africa, Asia, North America, Central America, and South America.

PF intelligence services have discovered these drug routes from which some shipments have already been intercepted. Rio de Janeiro now serves as a route for cocaine intended for Uruguay, Japan, Israel, Italy, Denmark, the Netherlands, and the United States of America, among other countries.

Another group—which has connections in Sao Paulo—sends the drug to African countries such as Ghana and Nigeria from where the drugs are shipped to Europe or the United States.

The report says that one tactic used by the traffickers is to take the drugs through several countries before taking it to its final destination.

For instance, a gang of Canadian traffickers—who were discovered this year—were sending drugs to Rio de Janeiro by plane.

From Rio, the drugs were shipped again (also by plane) to another South American country, and from there to Mexico.

The PF also have information that the cocaine processed in Colombia intended for Europe does not pass through airports or ports of southeastern Brazil. The Colombians are primarily using cities located in northern and northeastern Brazil. FOLHA also had access to PF confidential data showing that 95 percent of the cocaine consumed in Rio and Sao Paulo comes from Bolivia.

The PF in Rio de Janeiro have no reports of drug shipments from Colombia—the world's largest producer of coca leaf—intended for consumption in the state of Rio de Janeiro. The largest producers of marijuana are from Pernambuco State and Paraguay.

#### Telebras Using Fiber Optics Network for Schools

PY0612120094 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 5 Dec 94

[Report by Antonia Marcia Vale]

[FBIS Translated Text] The fiber optics network installed by Telebras [Brazilian Telecommunications, Inc.] will facilitate the expansion of a long distance education program. State telephone companies will link fiber optics networks to schools, which will receive educational programs produced by the state or municipal education secretaries. Each school will be able to transmit or receive up to four different programs at the same time. The system is being tested in Pelotas, Rio Grande do Sul, where the municipality signed an agreement with Telebras. Teachers from three schools are

being trained to use this interactive long distance education system. Videos will also be used to complement the official education curriculum and as teaching material.

According to Telebras President Adir da Silva, the municipalities will have to fund a television monitor, which will be housed in a classroom, and a signal decoder. The telephone bill will be paid by the municipality and will be subsidized. Telebras will pay for 90 percent of the communications, while the municipalities will pay the remaining 10 percent. The municipalities must also produce the education programs.

The Telebras president added that the telephone companies of Sao Paulo and Minas Gerais States and of the Federal District can extend the fiber optics networks to the schools. Future Federal District Governor Cristovao Buarque attended a demonstration of this project and said he is interested in implementing it in Brazil in 1995.

#### **Telebras Starts 'Intelligent' Telephone Network**

*PY0612120794 Sao Paulo FOLHA DE SAO PAULO in Portuguese 3 Dec 94 Section 2 p 2*

[Article by Marcos Cezari]

[FBIS Translated Text] In Sao Paulo yesterday, Telebras [Brazilian Telecommunications, Inc.] and Telesp [Sao Paulo Telecommunications] have started up the "intelligent network," a system that will make things easier for "0800" service users.

The network, which can be accessed from anywhere in Brazil, will be completed in October 1995, when five other Network Access Ports (PAS)—Brasilia, Rio de Janeiro, Salvador, Curitiba, and Belo Horizonte—will become operational.

Equipment for the network was supplied by Alcatel at a cost of \$29 million. Marcos Madureira, the network's marketing manager, said the network will operate through an Alcatel 8300 computer.

The "0800" system is currently used through the normal inter-urban network. The intelligent network's computer will "translate the 0800" and make the required connection.

Madureira said that in terms of its 300 calls per second and 1.08 million calls per hour, it will be the world's most modern network. The telephone traffic in Belgium is not as busy.

### **Chile**

#### **Frei Comments on NAFTA, Ties With Cuba**

*PY0512180394 Madrid EFE in Spanish 2153 GMT 2 Dec 94*

[FBIS Translated Text] Santiago, 2 Dec (EFE)—Chilean President Eduardo Frei said today he is pleased with the

Mexican Government's support for Chile joining NAFTA—which comprises Canada, the United States, and Mexico.

Mexican President Ernesto Zedillo, whose inauguration was attended yesterday by Frei, has expressed Mexico's support for Chile joining NAFTA.

Returning to Santiago, Frei said he and Zedillo discussed the issues they will take to the Summit of the Americas summoned by U.S. President Bill Clinton in Miami on 9 and 10 December.

During his meeting with U.S. Vice President Al Gore, Frei said they discussed the Miami summit and the progress achieved by the foreign ministries on the issues to be discussed at the summit.

On the resumption of diplomatic ties with Cuba, Frei reasserted that all speculations must be put aside. He said: "Each time we meet, chiefs of state demand immediate results, but these things have their own pace and take time." Frei added: "The important thing is that we met. As it is done on these occasions, President Castro and I reviewed bilateral ties, and discussed the summit in Miami."

Asked if he imposed any conditions on Fidel Castro, Frei said: "I cannot impose points of view during a meeting with a chief of state. I will not impose or establish inflexible positions." Frei stated that each country has its problems and its political regime. He added: "We undoubtedly achieved progress in bilateral ties. That is what this meeting was all about."

Chilean-Cuban ties were severed for almost 17 years during the military regime headed by Augusto Pinochet. The two countries resumed ties at the consular level in July 1991 following a meeting between Castro and then Chilean President Patricio Aylwin during the Guadalajara Summit in Mexico.

Eduardo Frei will travel to Boston (Massachusetts) on 6 December where the Boston University will honor him with an 'honoris causa' degree. From Boston, Frei is scheduled to travel to Miami where he will attend the Summit of the Americas.

#### **Government Rejects Fishmeal Quotas**

*PY0212235294 Santiago ESTRATEGIA in Spanish 23 Nov 94 p 5*

[FBIS Translated Text] The government yesterday sent an official note to the Mexican Government expressing its disagreement and rejection of the possible implementation of safeguard clauses on Chilean fishmeal exports.

This was reported by acting Foreign Minister Mariano Fernandez who said: "We believe Chilean fishmeal exports are not the cause of any damage to the Mexican fishing economy, and for this reason we see no reason for implementing that clause."

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This safeguard mechanism is applied, among other cases, when damage can be proven within the respective economic area, and this, Fernandez said, is not the situation.

Mexican officials decided to implement the safeguard measure on Chilean fishmeal exports to that market. This means that for two years Chilean shipments will be affected by a quota, although the preferential tariff of 1.5 percent will be maintained.

The implementation of this measure is contemplated in bilateral trade agreements. The Mexican private sector sought its implementation due to a bad moment in its fishing industry.

The measure will not affect Peruvian fishmeal exports, however, which have been gradually replacing the Chile product in the Mexican market. The explanation given is that the Peruvian product reportedly pays a normal tariff of 15 percent unlike the one on Chilean exports.

Chilean fishmeal exports to Mexico increased between January and September 1994 by 59.6 percent, totaling \$150 million.

### Colombia

#### Defense Minister: Military To Down 'Hostile' Planes

PA0612033794 Hamburg DPA in Spanish 2353 GMT 5 Dec 94

[FBIS Translated Excerpt] Santa Fe de Bogota, 5 Dec (DPA)—The Colombian Government announced today that its military forces will open fire on any hostile planes that do not answer identification calls and use the country's airspace for transporting drugs.

Defense Minister Fernando Botero issued the warning and confirmed that the U.S. Government has reconsidered a decision made in May and authorized the reactivation of two radars installed in southern Colombia to detect suspicious planes overflying Colombian airspace. [passage omitted]

Botero said the radars will be reactivated within the next few days. The decision comes after the Colombian Government promised to order attacks on suspicious aircraft if the crews ignore several calls to land or appear hostile.

Botero said the decision Washington adopted seven months ago caused "tremendous damage" to the country's struggle against drug trafficking. Although he did not give figures, he said Colombian authorities have detected an increase in the number of irregular flights over the jungle area in the country's southern region.

#### Samper Announces Plans To Improve Armed Forces

PA0412152994 Santa Fe de Bogota EL TIEMPO in Spanish 30 Nov 94 p 8A

[FBIS Translated Text] Before Samper ends his four-year term, 35 percent of the Armed Forces will be made up of professional soldiers, trained in guerrilla warfare tactics.

President Ernesto Samper made the announcement yesterday. He said military professionalism will increase from the current 22 percent to 35 percent. The government will focus its efforts on troop mobility with the use of helicopters, as well as communications systems and supplies for the troops.

The president said that "regarding the Army, we will reduce those investments strictly directed at foreign conflict. We will focus our attention to where the Colombians want us to direct it every day, all across the nation."

Samper presided over three military graduation ceremonies yesterday for officers of the three armed forces in Santa Fe de Bogota, Cali, and Cartagena.

The Army graduated 376 new officers during the first ceremony in Bogota. The officers have already been assigned to various military units across the country.

The Air Force Academy in Cali held its graduation ceremony for 106 Air Force second lieutenants later in the day.

At about 1900, the Naval Academy in Cartagena promoted 58 officers and Navy infantrymen.

In his statements at each military ceremony, President Ernesto Samper pressed the need to involve all of the forces in the internal conflict and strengthen each of them. This will enable them to face the current public security problems and not a possible external conflict.

"We will provide the Navy with more ships; we will strengthen the Navy infantry brigades; and we will bolster the naval air and land operations. These changes are part of a system we have defined to multiply the number of smaller combat units instead of maintaining a small number of enormous vessels."

Samper gave the new Air Force officers a similar message: "The government has saved significant responsibilities for you, under the national defense strategy it has chartered. These responsibilities will bring important changes in military spending priorities. We will invest more money in helicopters that will allow us to reach the more remote corners of the Colombian jungles and less in fighter planes designed to repel possible foreign army attacks. We will think more in terms of smaller crafts to overfly our mountains than of strategic aircraft to fly beyond our borders."

The minister of defense was also at the three ceremonies, along with the military's high command.

Samper also addressed the issue of human rights saying that the government has already recognized that this is a serious problem that the country must face—"not a campaign to tarnish Colombia's image abroad, as some have blindly said."

The president said that the government has taken into consideration the suggestions made by the General

Attorney's office, the Prosecutor for the People, and international and local organizations. The strengthening of the human rights section at the Defense Ministry and across the country at all major military and police posts, and the specific training programs for Public Forces personnel "not only demonstrate our commitment, but that of all branches of the Colombian Armed Forces."

The president concluded by underscoring the fact that his government will build up a national intelligence system.

He stressed that "developing our intelligence capabilities will be essential in the struggle to achieve greater operational power. Therefore, we are determined to extend our intelligence network, seek the aid of the community, provide special training to the officers who carry out such tasks, as well as to develop a true national intelligence system."

Army noncommissioned officer Carlos Alberto Betancur Paniagua, Air Force Second Lt. Arturo Alexander Roman Infante, and Navy Lt. Edgar Alberto Cely were all awarded the Francisco Jose de Caldas Medal for ranking in first place in their respective graduation classes.

#### **FARC Says Human Rights, Cease-Fire Should Be Discussed**

PA0212193794 Santa Fe de Bogota Inravisión  
Television Cadena 1 in Spanish 0000 GMT 2 Dec 94

[From the "24 Hours" newscast]

[FBIS Translated Text] The Revolutionary Armed Forces of Colombia [FARC] has answered President Ernesto Samper's proposal. For the first time, the FARC is talking about respect for human rights.

According to FARC, the objective of national reconciliation should be to sign a peace treaty, and the human rights situation should be discussed. The talks should give urgent priority to a cease-fire discussion. The organization has taken President Samper's offer of protection to the guerrillas who have been designated spokesmen as a positive sign. It is desirable that the first meeting be held in national territory. The media's contribution to the peace process depends on an agreement reached by all.

In a communique released today, the government described the FARC statement as a step forward and reiterated its willingness to support direct talks to study the situation and seek points of agreement. The government described the terms proposed by FARC as constructive and emphasized the importance of fully guaranteeing the spokesmen's protection.

#### **Poll Views Samper's First 100 Days in Office**

95CA0036A Santa Fe de Bogota SEMANA in Spanish 8 Nov 94 pp 30-36

[FBIS Translated Text] What do Colombians think of Samper? What is their opinion of his ministers? What do they believe about his proposals? How do they view the first lady? A SEMANA poll on the government's first 100 days reveals that it has started out on the right foot.

Just 100 days ago, when Ernesto Samper was preparing to initiate his government, dire predictions were in fashion. In deep trouble because of the narco-cassette scandal, the new president was trying hard to draw the country's attention to other matters. He began with his own proposals and programs, so as to gain an opportunity to prove his capability. Now, after exercising the presidency for three months, he has accomplished his mission. A poll, contracted by SEMANA with the firm Invaer-Gallup, reveals that Colombians have decided to give their president a chance, and that both are on a honeymoon. The vast majority of those polled declare themselves satisfied with Samper, believing that the country has fared well with him and that he is making correct decisions. He also receives an excellent assessment for some of his leading officials, such as the vice president and the minister of government. Even the first lady, Jacquín Strouss de Samper, enjoys a certain amount of popularity. The only thing clouding the picture somewhat is that there is considerable incredulity regarding some of the government's policies, such as that of the Social Leap. There is also the fact that those polled criticize Samper's handling of the principal national problems, such as insecurity, the guerrillas, the drug traffic, and poverty. What they most like is the Social Pact, and what they least like are some unkept promises. In short, there is a mixture of pleasant surprise at the new chief executive, and a wait to see his possible accomplishments.

#### **Technical Record**

On 29, 30, and 31 October, in four leading cities, Invaer-Gallup conducted 600 telephone surveys among males and females over age 18, using a randomly selected sample. The margin of error is four percent.

#### **Degree of Satisfaction With Samper**

All things considered, are you satisfied or dissatisfied with the way in which Ernesto Samper is performing as president of the republic? (figures are percentages)

|              | Satisfied | Dissatisfied |
|--------------|-----------|--------------|
| Total        | 59        | 14           |
| Bogota       | 63        | 15           |
| Medellin     | 45        | 17           |
| Cali         | 55        | 7            |
| Barranquilla | 64        | 15           |

### Samper: Better or Worse

Has President Ernesto Samper turned out: better than you expected, as you expected, or worse than you expected? (figures are percentages)

|                      |    |
|----------------------|----|
| Better than expected | 22 |
| As expected          | 51 |
| Worse than expected  | 7  |

### The Country Under Samper

Do you think that the country has fared well or badly with Ernesto Samper? (figures are percentages)

|                 |    |
|-----------------|----|
| Has fared well  | 34 |
| Has fared badly | 6  |
| Same as before  | 28 |

### How Well Samper Makes Decisions

Do you think that Ernesto Samper usually makes correct or incorrect decisions? (figures are percentages)

|           |    |
|-----------|----|
| Correct   | 73 |
| Incorrect | 6  |

### Familiarity With and Favorable Opinion of High-Ranking Officials

Are you familiar with, or have you heard of the following persons?

Do you have a favorable or unfavorable opinion of these persons? (figures are percentages)

| Official                                         | Familiarity | Favorable | Unfavorable |
|--------------------------------------------------|-------------|-----------|-------------|
| Humberto de la Calle (vice president)            | 96          | 74        | 7           |
| Horacio Serpa Uribe (minister of government)     | 89          | 72        | 6           |
| Fernando Botero Zea (minister of defense)        | 79          | 55        | 8           |
| Juan Gomez Martinez (minister of transportation) | 62          | 40        | 6           |
| Alfonso Valdivieso (prosecutor general)          | 63          | 39        | 7           |
| David Turbay Turbay (comptroller general)        | 74          | 31        | 23          |
| Rodrigo Marin Bernal (minister of development)   | 60          | 30        | 8           |
| Cecilia Lopez Montano (minister of environment)  | 43          | 29        | 3           |

|                                                |    |    |   |
|------------------------------------------------|----|----|---|
| Nestor Humberto Martinez (minister of justice) | 41 | 23 | 4 |
| Daniel Mazuera Gomez (minister of commerce)    | 42 | 22 | 5 |
| Rodrigo Pardo (minister of foreign affairs)    | 37 | 21 | 3 |
| Guillermo Perry Rubio (minister of finance)    | 45 | 21 | 7 |
| Orlando Vasquez V. (attorney general)          | 41 | 20 | 9 |
| Armando Benedetti (minister of communications) | 34 | 18 | 3 |
| Arturo Sarabia (minister of education)         | 33 | 17 | 4 |
| Maria Sol Navia (minister of labor)            | 29 | 14 | 2 |
| Alonso Gomez Duque (minister of health)        | 23 | 12 | 2 |
| Jorge Eduardo Cock (minister of mines)         | 27 | 12 | 3 |
| Antonio Hernandez (minister of agriculture)    | 22 | 8  | 2 |

### The Ranking of the Ministers

Which of the ministers seems to be performing best in his position?

|                                     |    |
|-------------------------------------|----|
| Horacio Serpa Uribe, Government     | 20 |
| Fernando Botero Zea, Defense        | 18 |
| Juan Gomez Martinez, Transportation | 7  |
| Nestor H. Martinez, Justice         | 6  |
| Guillermo Perry Rubio, Finance      | 6  |
| Arturo Sarabia Better, Education    | 5  |
| Cecilia Lopez Montano, Environment  | 4  |
| Rodrigo Marin Bernal, Development   | 3  |
| Rodrigo Pardo, Foreign Affairs      | 3  |
| Alonso Gomez Duque, Health          | 3  |

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|                                   |   |
|-----------------------------------|---|
| Maria Sol Navia, Labor            | 2 |
| Armando Benedetti, Communications | 2 |
| Daniel Mazuera, Commerce          | 1 |
| Jorge Eduardo Cock, Mines         | 0 |
| Antonio Hernandez, Agriculture    | 0 |

### The First Lady

Do you have a favorable or unfavorable opinion of the first lady, Jacquelin Strouss de Samper? (figures are percentages)

|             |    |
|-------------|----|
| Favorable   | 48 |
| Unfavorable | 9  |

### Samper Dealing With Problems

On a scale of 1-5, in which 1 is the lowest rating and 5 the highest, how do you rate Ernesto Samper's management thus far in solving the following problems?

|                |     |
|----------------|-----|
| Unemployment   | 2.7 |
| Drug traffic   | 2.5 |
| Cost of living | 2.4 |
| Corruption     | 2.4 |
| Guerrillas     | 2.3 |
| Insecurity     | 2.2 |
| Poverty        | 2.2 |

### The Social Leap

Have you heard mention of the Social Leap?

Do you believe in that policy or not? (figures are percentages)

|                     |    |
|---------------------|----|
| Yes, have heard     | 42 |
| Yes, believe in it  | 17 |
| Don't believe in it | 17 |

### The Social Pact

Have you heard mention of the Social Pact?

Do you believe in that policy? (figures are percentages)

|                     |    |
|---------------------|----|
| Yes, have heard     | 56 |
| Yes, believe in it  | 30 |
| Don't believe in it | 17 |

### The Best Thing About the Government

What has pleased you most about the Samper government in these first 100 days? (Open question) (figures are percentages)

|                                                        |   |
|--------------------------------------------------------|---|
| Commitment to Social Pact and battle against inflation | 8 |
| Gasoline price will not rise                           | 6 |
| It is creating a good image of Colombia abroad         | 5 |
| It has promoted employment                             | 5 |

### The Worst Thing About the Government

What has pleased you least about the Samper government in these first 100 days? (Open question) (figures are percentages)

|                                                         |    |
|---------------------------------------------------------|----|
| It has not done what it promised                        | 10 |
| It has done very little against insecurity              | 3  |
| It lacks character for governing, it lets itself be run | 6  |

### Correction to 'Plan Seeks Growth, To Alleviate Poverty'

PA1811203294

The following correction pertains to the item headlined "Plan Seeks Growth, To Alleviate Poverty" published in the 22 November Latin America Daily Report, page 37. column two, paragraph 11, only sentence make read: ...regarding housing, 2.8 trillion will be allocated.... (changing currency denomination from dollars to pesos) column two, paragraph 13, first sentence make read: ...the rural areas, 330 billion pesos and 500 million pesos will be allocated.... (changing currency denomination from dollars to pesos) column two, paragraph 14, only sentence make read: ...to allocate approximately 500 billion pesos to purchase 1 million.... (changing currency denomination from dollars to pesos) column two, paragraph 15, only sentence make read: ...priority, for which 800 billion pesos will be assigned.... (changing currency denomination from dollars to pesos)

### Ecuador

#### Duran-Ballen Vetoes Initiative on Economic Adjustments

PA0512172894 Mexico City NOTIMEX in Spanish 1654 GMT 3 Dec 94

[FBIS Translated Text] Quito, 3 Dec (NOTIMEX)—In keeping with his liberal economic policy of adjustments and changes, Ecuadoran President Sixto Duran-Ballen has vetoed another parliamentary initiative.

Yesterday the president discarded a bill approved by Congress despite the risk of a confrontation with the legislative body. The bill called for increasing the pensions of retired people who are members of the Ecuadoran Social Security system.

The president had rejected around the middle of last week a bill that called for depriving him of power to make monthly adjustments to fuel prices, and he is now prepared to reject a bill decentralizing the distribution of income in favor of provincial governments.

The bill rejected by the president yesterday called for increasing the minimum retirement pension from \$80 to approximately \$110 a month and increasing the top limit to approximately \$1,100.

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Presidential spokesman Carlos Larreategui has said it is necessary first to restructure the Ecuadoran Social Security Institute, the autonomous body that handles the country's social security sector.

The presidential veto occurred when a passionate debate was taking place between the government, which wants to privatize the social security system, and sectors that want to maintain the social security system as it is, with only a few modifications.

The main argument of the Duran-Ballen administration, supported by the private enterprise sector, is that the service has deficiencies and is not self-sufficient, and its cost is prohibitive.

Social security also is one of the issues included in the constitutional reforms the government wants to promote as part of its liberal economic reforms program.

The presidential veto is aimed at keeping all projects within government control according to opposition sources.

The monthly revision of fuel prices represents an essential tool for stabilizing the flux of public revenues in the current fiscal adjustment phase.

Fuel sales taxes are an important source of foreign exchange. They were redesigned at the beginning of this year to compensate for an eventual drop in the international price of oil, the country's largest source of foreign exchange.

The bill calling for the distribution of fiscal revenues among provincial governments, the bill that will also be vetoed, would alter the austere way the Duran-Ballen government is managing public revenues to bring down inflation.

#### **Government Appoints New Army Chief**

PA0212182394 Quito Voz de los Andes in Spanish 1200 GMT 2 Dec 94

[From "The Voz Andes Newscast"]

[FBIS Translated Text] Division General Jorge Ortega Espinosa has been appointed new Army chief, commander of land forces. Jorge Ortega replaces Miguel Iturralde, who died in an aircraft accident in eastern Ecuador. Ortega held the post as Army chief of staff, which will now be held by General Francisco Moncallo Gallegos. The swearing in of the new Army chief will take place at noon today.

Jorge Ortega, new commander of land forces commander, was born in Cuenca on 6 June 1939. He is married to Olga Alicia Salazar Mejia, with whom he has three children. Gen. Ortega obtained his first military promotion as second infantry lieutenant on 10 August 1962 and was promoted to major general on 26 February 1975. In 1993 he was promoted to division general, and

on 16 November 1994 he was appointed Army chief, general commander of land forces.

#### **Bomb Explodes at Home of Accuser of Former Police Commander**

PA0312021694 Madrid EFE in Spanish 1631 GMT 2 Dec 94

[FBIS Translated Text] Quito, 2 Dec (EFE)—A low intensity bomb exploded during the early morning hours of today at the home of Colonel Hector Estrella, whose charges of corruption against former Police Commander General Guido Nunez forced him to resign last June.

Nunez, whom Estrella has accused of corruption and illicit enrichment, resigned "to preserve the honor of the police institution," it was reported at that time, and he was replaced by General Miguel Rosero.

Estrella described as "cowardly" the attack on his home perpetrated by "individuals who know they are lost and cannot fight the truth."

In a telephone conversation with the television station Telemazonas, Estrella said the individuals who attacked his home left a note that read: "here is your Christmas present, you son of a b...." After condemning the attack, in which nobody was injured, although the damage to the property was extensive, Estrella vowed to continue "fighting corruption, and this attack will not soften me."

"I have always spoken in a serious and truthful manner, backed with documents, and this is the reason why they acted that way," Estrella said.

He added the struggle "was not just against Gen. Nunez but, rather, against corruption and the abuse of power that continues within the corps."

Those evils, he said, have been reported to the Inter-American Human Rights Committee of the OAS, which visited Ecuador last month, and to the country's Congressional Human Rights Committee.

"Setting a bad example at home cannot be," he added, "if we (the police) have to safeguard human rights."

The authorities are investigating Nunez and Estrella to establish the veracity of the charges, which unleashed one of the worst scandals in this Andean country's police corps.

### **Paraguay**

#### **President Returns From Japan, Says Mission 'Successful'**

PY0512165894 Asuncion NOTICIAS in Spanish 4 Dec 94 p 6

[FBIS Translated Excerpt] Paraguayan President Juan Carlos Wasmosy tried very hard to avoid journalists when he arrived at Asuncion International Airport on 3

December. When he was about to board the presidential car, he stated briefly that his mission in Japan had been "a complete success." He answered questions on other issues by saying: "Let's talk on Monday." He will travel to Miami in the middle of this week to attend the Summit of the Americas. Corruption will be one of the issues raised at this meeting.

President Wasmosy returned on 3 December after paying an official visit to Japan and attending the inauguration of Mexican President Ernesto Zedillo. The president did not host his usual news conference upon his arrival, and even though everything was ready for this news conference, the president chose to leave through the side door of the airport's Presidential Hall. Just as he was getting into his car, he answered one question about the outcome of his mission by describing it "a complete success." He promised to provide details of his trip on 5 December. Wasmosy will go to Miami this week. According to Foreign Minister Luis Maria Ramirez Boettner, corruption will be among the issues that will be raised at the summit. [passage omitted]

#### **Japan Concerned Over Proper Use of Grants, Loans**

*PY0512180494 Asuncion NOTICIAS in Spanish 4 Dec 94 p 21*

[FBIS Translated Text] During Paraguayan President Juan Carlos Wasmosy's recent visit, many Japanese financial organizations demonstrated a willingness to continue cooperating with Paraguay. An example of this are loans totaling approximately \$130 million granted this week. High-ranking Japanese officials, however, did make it clear that the loans and grants should be managed openly and honestly.

The Japanese Government is closely following Paraguay's development toward democracy and a free market economy, both of which are priority issues on Japan's diplomatic agenda. Japanese Government experts have learned from their experience with the mismanagement of assets and loans granted to governments of developing nations, and are keeping close tabs on the fate of such aid.

Japan has been helping Paraguay since 1974; by the end of 1993 Japanese aid totalled \$578 million. During President Wasmosy's most recent visit, Japan granted a loan of \$81 million to Paraguay, and began processing another \$51 million loan for industrial retooling.

During his meetings with top JICA [Japanese International Cooperation Agency] and OECF [Overseas Economic Cooperation Fund] officials, the Paraguayan president received veiled hints about making sure that loans granted to Paraguay are used to further progress for the people at large.

Ken Kitayima [name as published], one of the Japanese Foreign Ministry officials in charge of Latin American affairs, told a group of Paraguayan journalists that

official Japanese organizations like JICA and OECF were using auditors to keep close tabs on the use of funds granted to Paraguay. Kitayima emphasized that interest rates on loans to other countries were tied to the economic growth of those countries. He explained that if the economic situation of a given country were to improve, the interest rates would go up so as to allow Japan to broaden its cooperation toward worldwide development.

Kitayima went so far as to mention that any Paraguayan citizen who had doubts about the management of Japanese loans and grants was welcome to report this to Japanese Ambassador to Asuncion Sumio Ono.

#### **EU Vice President Marin Arrives; To Discuss Mercosur**

*PY0612030894 Asuncion NOTICIAS in Spanish 4 Dec 94 p 6*

[FBIS Translated Text] European Union (EU) Vice President Manuel Marin arrived in our capital yesterday to talk about the relationship between the EU and the Mercosur [Common Market of the South] countries.

Marin reported that the EU is interested in establishing a free trade zone between the European countries and the Mercosur member countries. He noted that he came to Paraguay because our country will hold the Mercosur chairmanship as of January 1995.

Marin pointed out that this month there will be a meeting of European heads of government. During this meeting, a number of legal mechanisms, allowing them to conduct negotiations with the Mercosur, will be implemented.

The EU vice president did not want to elaborate on the issues that he will discuss with our authorities, but briefly announced that an EU cooperation project for the development of the Paraguayan Chaco region is already under way. He noted that he prefers to talk with our country's authorities first and then supply a detailed report during a news conference.

The foreign visitor received a special authorization from the EU members to negotiate with the Mercosur members the opening of a cooperation line between the powerful European economic bloc and the Southern Cone countries. The free trade zone between Europe and America will represent great advantages for the countries in our region and Paraguay must be prepared to enter with a firm step into the exacting European market.

Marin will begin tomorrow a number of meetings with our authorities. He will lay a wreath at the National Heroes Mausoleum. Afterward, at 0930, he will meet Foreign Minister Luis Maria Ramirez Boettner.

At 1000 tomorrow Marin will meet President Juan Carlos Wasmosy at the Lopez Palace. Afterward, he will participate in the introduction of the "Latin America Against Cancer" program. Paraguay will be one of the countries elected for a "pilot" experience.

On this occasion, the EU vice president will be joined by our first lady, Maria Teresa Carrasco de Wasmosy, and the Countess of Elda, who is involved in this project, which might be implemented in the rest of Latin America. Andres Vidovich Morales, the public health and social welfare minister, will also be present at this ceremony.

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### Salvadoran Defense Minister Interviewed

PY0612032094 Asuncion NOTICIAS in Spanish 4 Dec 94 p 8

[Interview with Salvadoran Defense Minister Brigadier General Humberto Corado Figueroa by NOTICIAS journalist Jose Gregor "during his visit to Paraguay"]

[FBIS Translated Text] [Gregor] What do you consider the current role of Latin America's armed forces?

[Corado] You see, I believe that almost all of Latin America's armed forces are currently in a process of transition, of institutional strengthening. They are trying to update their structures, improve procedures, and adjust to current conditions in their respective nations, particularly now that there is a line of thought that advocates making the armed forces into an instrument of development. I believe that the latter idea is prompted by the lack of understanding of the armed forces constitutional mission. It would seem that now that the socialist doctrine has lost strength, that its symbolic Berlin Wall has fallen, and the Soviet Union as a state has disappeared, some people believe—mistakenly, as far as I am concerned—that the only role of the armed forces was to fight communism. That is completely wrong.

[Gregor] In your opinion, what is the true role of the armed forces?

[Corado] The mission of the armed forces is clearly outlined in the constitutions of their respective countries, which say that the armed forces are essential to national defense and security (sovereignty). National security is not a state doctrine; it is a situation which allows the states to satisfy their needs, to some extent. The national community as a whole, not just the armed forces, participates in this quest for satisfaction. The role of the armed forces, however, is essential because the military factor provides the stability which allows the other components of society to develop without any kind of interference. National defense is the means the state has at its disposal to defend its patrimony, and in this endeavour they need the support of political, economic, and diplomatic groups to build up the capabilities that will allow them to defend national assets.

[Gregor] Mr. Minister, do you believe, therefore, that the role of the armed forces has been redefined?

[Corado] Politically speaking, it probably has been redefined. It has been said that to some extent Latin America's armed forces overstepped their institutional and professional role in areas outside their purview, such as governing the country.

[Gregor] Why did this happen in Latin America?

[Corado] You see, this happened because the armed forces make it a habit to keep an eye on what is happening in the country. If we notice disruptions or outbreaks of violence that could lead to anarchy which

may at one point harm society as a whole, then the armed forces are the best prepared permanent institution to step in and preserve order. Unfortunately, the armed forces have been held responsible for invading purviews from which they are banned, such as political leadership of the country, which, according to the law, should be decided upon by the people through free elections. When the armed forces realized that there was a power vacuum, they stepped in and probably, in some cases, their administration was not very successful or productive, which led to criticisms. It could also be that in some cases they stayed in power too long. There have been cases in some countries—although I would rather not specify which—where the armed forces managed national affairs very well indeed. This balances off the cases in which armed forces administrations were not as fortunate as they should have been. In any case, it is obvious now that the armed forces are truly trying to abide by their constitutional role in the sense of allowing the people to express their will and preferences through political parties. The role of the armed forces is to preserve the balance, to maintain national stability, so that political activities can develop normally. The military and the civilian society should respect each other to further development.

[Gregor] How did the Salvadoran Armed Forces get used to changes in their country after the end of the civil war?

[Corado] First I would like to tell you that the Salvadoran conflict was prompted by domestic and foreign factors. We do not justify under any circumstances the use of armed struggle to attain political objectives because the social cost of this struggle has been very high. A great many Salvadorans died on all sides. Families fell apart because large portions of the population were displaced. The country's economic fabric was also severely damaged. In one way or another, wars always harm societies. There is no denying the fact that the conflict was fanned from abroad. Please bear in mind that the institutional status of our system was at stake. According to our Constitution, El Salvador is a democratic, not a socialist, state. When an attempt is made to change this system by force, national institutions are bound to react to prevent this violent change. This prompted the conflict, which escalated steeply. Domestic causes such as social imbalances and the lack of opportunities had prompted the conflict, but the ideological confrontation of two power blocs was also present. After one of the power blocs fell apart, Salvadoran guerrillas lost their ideological support and the conflict had to be dealt with as a purely domestic affair. The conflict gave us, as El Salvador's armed institution, the opportunity to defend our country and our society. We are proud of the role we have played, although in terms of human lives, the conflict has cost us dearly.

[Gregor] What did you learn from all this?

[Corado] It has taught us Salvadorans that we can reach civilized agreements without having to resort to violence. It has taught us that we can all coexist as part of

the same society, respecting each other, and that we must try to be more tolerant of the ideas of our fellow countrymen. We cannot all think alike. The best lesson we have learned is that we can coexist peacefully despite our differences, and that violence should be the absolutely last resort. The Salvadoran Armed Forces have changed their perception of their performance, but they also want respect for their right to exist.

[Gregor] What are the prospects of the armed forces on the eve of the 21st century?

[Corado] I believe that as long as there are different nations, the armed forces will have to continue playing their current role. As you can see, even though there are huge blocs such as the Common Market of the South, the NAFTA, and the CICA [expansion unknown] in Central America, each member country has preserved its identity. They all have their military apparatus, not to attack or to defend themselves, but rather to protect what they have. Although the threat of a nuclear holocaust has vanished the world is still a very unsafe place. It is difficult to understand why conflicts crop up in places where they previously appeared to be unlikely.

### Peru

#### Fujimori Wants Proposition 187 Discussed at Miami Summit

PA0512143394 Madrid EFE in Spanish 2213 GMT 4 Dec 94

[FBIS Translated Text] Ica, Peru, 4 Dec (EFE)—Peruvian President Alberto Fujimori today expressed his concern over "the big and unrealistic hopes" that could be raised in connection with the Summit of the Americas in Miami, United States.

In his speech at the Annual Conference of Business Executives—Peru's most important business forum, which today closed in this city 300 km south of Lima—Fujimori said he does not believe the summit will produce "big results."

The Peruvian president explained: "I do not believe the meeting will produce an America strengthened by agreements that will effectively benefit the population."

He noted that for a summit to be successful, it must benefit the population with results such as increased commercial exchanges and more effective cooperation in the struggle against drug-trafficking, and this, he said, is not what always happens at these meetings.

Fujimori said he is fully aware of the importance of continental integration, affirmed that he will work in that direction always, and cautioned that "integration must be equitable."

At the summit, which is scheduled to take place from 9 to 11 December, Peru will present proposals on free

trade, poverty, corruption, technology, the environment, and the struggle against drug-trafficking.

Fujimori said recently that Proposition 187, which keeps health and education benefits from illegal immigrants in California, something that negatively affects thousands of Latin Americans, "must be one of the main issues" at the Miami summit.

With regard to the Andean Group, composed of Bolivia, Colombia, Ecuador, Peru, and Venezuela, Fujimori said his country will continue working for a common external tariff.

Liliana Canale, Peru's Industry, Tourism, Integration, and International Trade Negotiations minister, said a few days ago that Peru remains an observer with regard to this tariff, which was approved by its Andean partners, "and we are not implementing it."

Canale said that the approval of four tariff levels keeps the tariff from being standard.

Fujimori revealed that from \$800 million to \$1 billion produced by drug-trafficking enters the Peruvian economy every year and noted that the Armed Forces after having practically defeated terrorism and being better equipped, have initiated an all-out struggle against drug-trafficking.

In his speech before more than 600 businessmen as a candidate for reelection in the general elections of 9 April 1995, Fujimori said that if reelected, his new administration would not change the political and economic policies of his current administration.

Fujimori said he is running as a candidate who can show "facts and deeds" and not only promises, like the other candidates. He pointed to economic stability, the control of inflation, and the defeat of terrorism as some of his achievements.

#### Antisubversive Operations Reveal Existence of New Group

PY0612012794 Madrid EFE in Spanish 1642 GMT 2 Dec 94

[FBIS Translated Text] Lima, 2 Dec (EFE)—Some 100 people were arrested in a Lima neighborhood today during an operation designed to eliminate terrorist groups remaining in this capital.

Some 800 policemen and soldiers inspected the Huaycan shantytown, regarded by the authorities as a "red zone," and arrested some 100 people without identity documents, one of whom was had a military parachute.

The Army as well as the National Police have stepped up their antiterrorist operations in Lima after a group of terrorists blew up a high-tension pylon in this capital on Tuesday, 29 November, and perpetrated a bomb attack against the Development Corporation in Callao Port.

On Thursday, 1 December, the police carried out a series of operations in the Huanta, Huscaran, and San Juan de Lurigancho neighborhoods in Lima, where hundreds of suspects without identity cards were arrested.

The security forces are on "red alert" because on Saturday, 3 December, Abimael Guzman, leader of the Maoist Shining Path [SL] group who was arrested on 12 September 1992 and is currently held in isolation in prison at the Callao naval base, celebrates his 60th birthday.

It is expected that the Maoist group, now headed by Oscar Ramirez Durand, aka "Feliciano," may try to "celebrate" Guzman's birthday.

"Feliciano" has ignored Guzman's instructions to reach a peace agreement with the government, a goal that caused Guzman to order a cessation of violence, which has divided the SL.

In November, EL MUNDO, citing national intelligence sources, reported that "Feliciano" supporters have formed a new organization called "Nueva Red" [New Network], which will replace the "People's Aid of Peru," an SL organization that planned and executed the SL's selective crimes and attacks.

Like the "People's Aid of Peru," the "New Network" must recruit the members of what the SL called the "Popular Liberation Army," as well as form "combat committees in the urban areas," according to the same sources.

Another plan the SL intends to carry out is to "surround the prisons to apply the party's escape policy;" this is the policy of the Communist Party of Peru, which is the SL's official name.

"New Network" also proposes to infiltrate legal labor organizations, especially the General Confederation of Peruvian Workers, CGTP.

According to the same newspaper, in documents obtained by the Peruvian naval intelligence service, the "New Network" criticizes the "capitulation" of the arrested SL members and their relatives, following the peace proposal made by Abimael Guzman.

Moreover, the Lima daily EL COMERCIO today states that SL groups in the central Peruvian jungle disbanded after the Army rescued 196 peasants held by the terrorists on 27 November.

After that, 29 more peasants managed to flee from the terrorists and disclosed that an SL member nicknamed "Omar" headed a column of some 200 terrorists who fled in various directions.

Peruvian President Alberto Fujimori has asserted that once his mandate is over, in July 1995, terrorism will have been fully eliminated from Peru.

#### **Committee To Debate Restrictions on Fujimori's Campaign**

PY0512194894 Madrid EFE in Spanish 1718 GMT 3 Dec 94

[FBIS Translated Text] President Alberto Fujimori, who is running for reelection, will be subject to drastic prohibitions in his activities that are considered electoral propaganda if a proposal submitted by the National Election Board (JNE) is approved.

The JNE proposal, which agrees with the demands made by the political opposition accusing Fujimori of carrying out electoral campaign activities with state resources, is considered to be very strict by political observers.

The JNE proposal was sent on 2 December to the congressional Constitutional Committee in response to the committee's request.

The Constitutional Committee asked the JNE to specify—within the framework of a draft law submitted on 9 November to regulate Fujimori's electoral campaign—examples of political propaganda that Fujimori cannot carry out as part of his government functions.

According to the JNE proposal, presidential candidate Fujimori will not be able to dedicate public projects or inspect them, or be able to distribute to people or entities goods bought with state money or donations received from third parties for the Peruvian Government.

Also, Fujimori will not be able to refer directly or indirectly to the other candidates or political movements in his lectures, speeches, or public presentations.

The JNE also proposes that when Fujimori acts as presidential candidate, and uses the goods and services of the state, he will pay all the expenses related to the movement and housing of himself and his delegation by providing documented evidence to the JNE.

The proposal prohibits Fujimori from referring, in his presentations, speeches, or lectures, to the public works built with state money and with funds received from third parties during his administration.

The proposal also says that if Fujimori distributes goods to people or institutions, the goods must be purchased with the candidate's own resources or donated to him as candidate or to the political group that supports his candidacy, the Change 90-New Majority alliance.

The proposal, which was signed by JNE President Ricardo Nugent, points out in addition that the prohibitions established for the president-candidate also affect all public officials who are running for election or reelection.

President Fujimori dedicates almost daily new schools or remodeled old schools, as well as projects carried out by his administration, and the opposition believes that the references Fujimori makes about them are political propaganda.

The opposition also criticizes Fujimori for using state transportation vehicles to move around the country to dedicate the public projects that are believed to be part of his electoral campaign for the 9 April 1995 Peruvian general elections.

Two days ago, the JNE, in order to guarantee the transparency of the elections, also issued a resolution indicating that any state authority or political, military, police, or municipal officials or public employees in general must refrain from carrying out electoral propaganda in favor of or against a particular candidate.

The prohibition also affects the state communications media, which includes the official gazette EL PERUANO and the state television and radio station.

The JNE explained that it released the resolution after learning that public officials were carrying out propaganda to either favor or hurt a particular candidate or party.

The opposition reported that public officials and military leaders have participated in political propaganda campaign in favor of Fujimori.

The JNE proposal must be debated first by the Constitutional Committee and then by the plenary session of the Democratic Constituent Congress (CCD) prior to approval or rejection.

#### **Fujimori To Comply With JNE Restrictions on Campaign**

*PY0612124594 Lima Global de Television Network in Spanish 0130 GMT 6 Dec 94*

[FBIS Translated Excerpt] After addressing CADE [Annual Conference of Business Executives], President Alberto Fujimori resumed his inspection visits to schools. On this occasion, President Fujimori invited the mayor of Barranco to accompany him on his tour of Barranco district schools.

There is some expectation over the approval of the bill proposed by the National Election Board [JNE] establishing restrictions on the incumbent president's campaign activities.

President Fujimori has asserted that he will comply with what is established in the law. Here is our report:

[Begin recording] [Fujimori, in progress] ...on this occasion I am here as a presidential candidate. I drove here without any drastic security measures. We left at 0100. I will do the same whenever I campaign, not only to comply with JNE regulations, but by personal initiative. I will comply with the laws because I am respectful of the established laws. I hope that this issue is studied extensively. I reassert that Peru cannot stop because of an election campaign.

[Unidentified reporters] [passage indistinct]

[Fujimori] What I want to say is that if we have a chance to continue with the building of schools, well, so be it. If we have the chance to continue with the road building program, so much the better. These programs should not stop because of the current political situation. [end recording] [passage omitted]

#### **Perez de Cuellar on Economic Integration Issues, Subversion**

*PY0512235994 Madrid EFE in Spanish 1946 GMT 3 Dec 94*

[FBIS Translated Text] Ica, Peru, 3 Dec (EFE)—Former UN Secretary General Javier Perez de Cuellar said today that if he is elected Peruvian president in the 9 April 1995 elections, he will work for a union of the Andean Regional Group (Gran) and the Common Market of the South (Mercosur).

Perez de Cuellar, who delivered a speech as presidential candidate before the Annual Conference of Business Executives (CADE) being held in this city, located 300 km south of Lima, said that if he is elected he would negotiate "a firmer and more coherent" Peruvian participation in the Gran.

This is how he referred to the Peruvian trade disagreements with its Andean partners, which refuse to lift their protectionist tariffs that are preventing the group's economic integration.

He said the union of the Gran with the Mercosur is "a necessity" in face of a later integration of the two blocs with the NAFTA, which is made up of Canada, the United States, and Mexico.

The Gran is made up of Bolivia, Colombia, Ecuador, Peru, and Venezuela, while the Mercosur is made up of Argentina, Brazil, Paraguay, and Uruguay.

Perez de Cuellar, who was applauded after his speech in the CADE, stayed away from the "populist" economic policies and defended a development model based on the market economy. He also promised to resolve all the economic demands of the Peruvian businessmen.

In this regard, he promised to continue and to consolidate the structural reforms implemented since 1990 by President Alberto Fujimori, who is his main contender in the presidential electoral race.

Upon explaining his position regarding the reforms, Perez de Cuellar said that "there is no reason to discontinue what is well done" and promised "to continue the policies favoring Peru by improving the current ones."

He proposed a sustained economic development policy based on internal savings, competitive production, and export promotion.

In this regard, he said Peru is currently exporting 37 percent of what it exported in 1980.

Regarding the foreign debt, Perez de Cuellar offered to "improve" the current process for readmitting Peru into the international financial system.

He recalled he was the intermediary between Fujimori and the international financial organizations when this process began.

Peru is currently negotiating its debt with the international private banks after negotiating with the World Bank and the Paris Club.

Regarding foreign investment, he said he will continue with the current policy of giving it equal treatment with national investment. He also promised to respect the agreements on juridical and tax security.

Perez de Cuellar promised the businessmen the highest reduction of production costs, for which he would eliminate the direct and indirect taxes being implemented by the current government as part of the economic adjustment that began in 1990 to stabilize the economy.

Regarding terrorism, he recognized the real pacification of the country and indicated that under his administration "Abimael Guzman would not leave his cell."

Guzman, the top Shining Path leader, has been serving a life sentence since 1992 in the high security military prison in Lima.

He said that those who should receive recognition for Guzman's capture are the civilian society and General Antonio Ketin Vidal, former chief of the antiterrorist police, who, he said, would take over the task of "doing away with terrorism" under his administration.

#### **Minister Discusses Tariff Disagreements With Andean Group**

*PY0512171394 Madrid EFE in Spanish 1756 GMT 2 Dec 94*

[FBIS Translated Excerpt] Lima, 2 Dec (EFE)—Peru may withdraw from the Andean Group in view of disagreements over the Andean Group's common external tariff (AEC) [Arancel Externo Commun]. This tariff was recently approved by Peru's four other partners in the group, Bolivia, Ecuador, Colombia, and Venezuela.

This is how the Peruvian press today interprets what Peruvian Economy Minister Jorge Camet said at a businessmen's meeting in Ica, 300 km south of Lima.

Camet said: "Peru will face problems next June because our partners will implement a tariff structure that I personally disagree with, and that will lead to nothing."

By June 1995, Peru must comply with the third stage of a program calling for the implementation of tariffs on Peruvian products traded within the Andean free trade region.

It was established last April that Peru would join the Andean free trade region on the basis of three stages: during the first stage it would enforce tariffs ranging from 0 to 5 percent; during the second, it would enforce a 10 percent tariff before the end of 1994; and by June 1995, at the latest, it would implement 15 and 20 percent tariffs.

These tariffs were approved by the presidents of Andean countries in the Barahona Act in December 1991. [passage omitted]

#### **Venezuela**

#### **Minister Comments on Plan To Issue Dollar Bonds in 1995**

*PA0512165294 Caracas Union Radio Network in Spanish 2200 GMT 2 Dec 94*

[Report by Zayda Pereira; from the "Union Radio News" newscast]

[FBIS Translated Text] Finance Minister Julio Sosa Rodriguez has announced the government will issue dollar bonds [participaciones en dolares] in 1995 in order to renegotiate the nonrestructured debt. He has reported 3 billion [not further specified] worth of bonds will be issued for purchase in dollars and will have a 15-year term, including a five-year grace period and a 10-year repayment period at 10 percent interest. The financial system has already approved the bond issuance.

Julio Sosa Rodriguez also has referred to the dollar bonds issued to restrict liquidity and to be aimed at small investors. These bonds will be sold by banks and negotiated by the Caracas Stock Exchange, but these bonds cannot be issued as planned due to technical problems:

[Begin Sosa recording] We believe to reduce liquidity we should institute steps that have been announced on several previous occasions by the Cordiplan [Office of Coordination and Planning] minister. These steps consists of placing 160 billion [not further specified] worth of bonds that were approved yesterday and are already being issued. The \$1 billion will be sold in lieu of bolivares. I would have preferred for this measure to have been ready before the end of the year, but, regrettably, I am told by the lawyers and experts who are working on this measure that it will probably be January when we have these bonds in circulation. [end recording]

Among the many topics the minister has broached was currency exchange controls. He has said currency controls will be modified beginning January, and price controls will be eliminated. There will be only a strict control on capitals by the end of the year.

Sosa Rodriguez has clarified regarding the 1995 budget that additional credits will only be approved for wages

and salaries, and these funds will come from greater fiscal collection and from a greater customs control.

### **Senator Comments on Meeting With Caldera To Discuss Security**

*PA0512165194 Caracas Union Radio Network in Spanish 2200 GMT 2 Dec 94*

[Report by Maria Lilibeth d'Corte from the "Union Radio News" newscast]

[FBIS Translated Text] A year after President Rafael Caldera was elected president, the cockroach leader [el chiripero] met to analyze the country's lack of security. The meeting was attended by Interior Minister Ramon Escovar Salom and was held to broach the issue of security in Venezuela.

Senator Juan Jose Caldera was spokesman for the meeting and has denied the parties comprising the so-called cockroach leadership are dissatisfied with President Rafael Caldera's work regarding security matters:

[Begin recording] [Juan Jose Caldera] We spoke with complete openness, and I did not hear any mention of this issue in the meeting. We are uneasy, of course, about the problem the same way we are concerned about all the country's basic problems.

[Unidentified reporter] You are saying the government has not held any discussions on the lack of security?

[Caldera] No. We intend to contribute, help, and back the government in facing the country's grave problems. The lack of security is a priority problem. This issue is the origin of the invitation. [end recording]

Caldera reminded the people that the current administration is acting efficiently against the lack of security but that the result of these efforts cannot be seen overnight. He asks Venezuelans to continue to support Rafael Caldera's work to effectively fight crime together.

### **Copei Head Reacts to Cuban Minister's Remarks on Refugees**

*PA0512191794 Caracas EL GLOBO in Spanish 2 Dec 94 p 3*

[Report by Karina Villamizar Viso]

[FBIS Translated Text] Ramon Guillermo Aveledo, head of the parliamentary wing Social Christian Party (Copei), said: "Cuban Foreign Minister Roberto Robaina has no knowledge of what a sovereign country is when he criticizes Venezuela's decision to admit Cuban refugees presently in Guantanamo." Aveledo made that statement upon learning of the remark by the Cuban official in Mexico on 30 November.

In his opinion, "The Venezuelan Government acted correctly, because the measure was true to our tradition and our law."

Aveledo emphasized: "Robaina's criticism against Venezuela's sovereign decision to admit, for humanitarian reasons, 100 Cuban refugees stationed at the U.S. military base in Guantanamo causes a repercussion, because it attempts to make our initiative depend on the conversations between the United States and Cuba."

He said Venezuela has independently decided its actions: "Neither Washington nor Havana imposes its will, a concept which Castro can never understand."

Aveledo said "the history of the Cuban Government in the past 30 years was one of total dependency on the Soviet Union. After its demise, the Cuban regime still wants to continue meddling in the destiny of this suffering, brotherly people as a result of conversations with the United States. Whoever has doubts should analyze the statements by the Cuban foreign minister."

In conclusion, the parliamentarian said: "The Cubans' true interest cannot be subjected to the simple logic of the relation of power and survival of a corrupt and totalitarian regime."

### **Armed Forces Inspector General on Colombian Border Situation**

*PA0512012594 Caracas EL UNIVERSAL in Spanish 1 Dec 94 Section 2 p 20*

[Interview with Venezuelan Vice Admiral Rafael Huizi Clavier, inspector general of the National Armed Forces, by Andres Miliani in Santa Ana, Valera, on 30 November]

[FBIS Translated Text] [Miliani] What is the situation along the border at this time?

[Huizi] There is an atmosphere of peace and hard work. As you know, the Military High Command is basically interested in satisfying the socioeconomic needs of military personnel and meeting the operational requirements of military units in the border areas. The situation along the border is very difficult, and, therefore, an additional military presence is necessary. We have drafted a Procedural Manual that regulates joint Colombian-Venezuelan actions. In other words, we will know about guerrilla movements and prevent possible attacks through a more efficient information and communications network.

[Miliani] Why are our borders unprotected?

[Huizi] I would not say they are unprotected, because there has always been a military presence in the border regions, and our people are doing their work in a responsible and patriotic manner. I would not say there is no protection, but these are very difficult and complex regions. That is why we are asking the Colombian Armed Forces to control guerrilla actions along the border.

[Miliani] It seems that the Colombian Government is passing the guerrilla problem onto the Venezuelan National Armed Forces [FAN].

[Huizi] We have been discussing that subject with the Colombian Armed Forces for quite some time. Unfortunately, no plans have been implemented. All of the existing agreements, however, have been reviewed, and an agreement was recently signed by Colombian President Ernesto Samper in which he and his government committed themselves to conduct more effective actions on their side of the border.

[Miliani] Will the FAN be better equipped?

[Huizi] The FAN is currently well equipped. What we need are more aircraft to help our presence become more effective. We need more funds, which are being approved, to implement an intelligence network to cover the entire border.

[Miliani] Why is it that Venezuela does not have good roads and airports to quickly and effectively protect the border regions?

[Huizi] The border problem is not exclusively a problem of the FAN; it is a governmental problem. Everybody is so concerned that Foreign Minister Miguel Angel Burelli Rivas is currently in Tachira, from where he and various military commanders will tour garrisons in border states to get a clearer picture of the problem.

We have to develop the border region, organize cooperatives, deploy Venezuelans and FAN reservists, and provide more protection to the people who live there. These are fertile areas that are excellent for farming. We will not let those people invade Venezuelan territory.

[Miliani] Is the FAN worried about the presence in Venezuela of so many illegal immigrants?

[Huizi] It is worrisome. We are working on this problem, and have asked the Interior Ministry to set up a Diex [Directorate of Identification and Alien Affairs] office to have better control. I am not against Colombians working in our country, but those who come here should come to work and not to commit crimes.

[Miliani] What is the status of the upgrading of military tanks and the Van Dam enterprise?

[Huizi] There are two investigations going on in the case of the refurbishment of the tanks: One is being conducted by Congress, and the other through a Court Martial that opened in 1992. We must wait for a ruling.

Meanwhile, we are trying to reach an agreement with the Van Dam enterprise in order to find solutions as soon as possible to the problems affecting some of the units that are ready, with a few exceptions. We want to continue with the contract, which is about 20 percent or 30 percent fulfilled.

[Miliani] What is the meaning for Venezuelans of the 200th anniversary of General Antonio Jose de Sucre's birthday?

[Huizi] For the military commission I am honored to head, the commemoration of the 200th birthday of Gen. Antonio Jose de Sucre, the great marshal of Ayacucho, will contribute to awaken nationalism and patriotism and all of those civic values that make a great nation.

I believe this great man, who was known for his courage and love for our fatherland, should be a good example for our society, particularly for our youth, who should receive his message and follow his example. He was a man who made a name for himself at a very young age, and although he died very young, he accomplished many things in his short life. The great marshal of Ayacucho is an example for all Venezuelans. Sucre is one of the most outstanding men in our history, an example of what our youth can achieve if they work hard.

#### **Caldera Cited on Media's 'Considerable' Influence on People**

PA0512172794 Caracas EL UNIVERSAL in Spanish 2 Dec 94 Section 2 p 10

[FBIS Translated Text] Maracaibo, 1 Dec—President Rafael Caldera said here today "the Venezuelan people have firmly rejected the call to violence and are aware Venezuela is suffering the consequences of past mistakes. They hope at the same time and expect with optimism there will be a way to solve their problems."

Caldera made that statement during a ceremony commemorating the 80th anniversary of the Maracaibo daily PANORAMA.

President Caldera arrived in the city of Maracaibo accompanied by OCI [Central Information Office] Minister Guillermo Alvarez Bajares, Ciro Anez Fonseca, agriculture and livestock minister, and Mines Minister Erwin Arrieta. They were received by Zulia Governor Lolita Aniyar de Castro.

The delegation visited upon arrival the offices of PANORAMA, where they were received by members of the board of directors of that prestigious regional daily, including Esteban Pineda, president; Roberto Baittina, general director; Eduardo Ferrer, technical director; and Jesus Semprun, deputy director.

Caldera decorated at the beginning of the ceremony Roberto Baittina with the Order of Andres Bello in the Band of Honor Class. Eduardo Ferrer and David Pineda Beloso, as well as a group of PANORAMA employees, were decorated with the Order of Francisco de Miranda in its First Class.

Governor Aniyar de Castro granted the newspaper at the same time the Order of Lago de Maracaibo in its Gran Collar Class for its contributions to the development of the region and the country in general.

Deputies Guillermo Yepes Boscan and Omar Barboza delivered to Esteban Pineda, president of the PANORAMA Board of Directors, a salutation approved by

the Chamber of Deputies of the National Congress on occasion of the daily's 80th anniversary.

Caldera congratulated the daily in his speech on its anniversary, saying it was a day of "national significance, not only due to its broad coverage and long existence but due to the exceptional quality of a daily such as PANORAMA."

Caldera said "this newspaper is a great one, not only at the regional but national level and is comparable to any other newspaper in the world." He added "the media have considerable influence over the public in Venezuela; therefore, the people who work for the media should realize the collective responsibility they have in projecting a positive message to the country."

Caldera said: There is a tendency to admit the media have taken over a large part of the influence exerted by political organizations. A newspaper, a television or radio station has considerable influence today; therefore, celebrating the fact that Zulia has at this time a newspaper of the importance and value of PANORAMA makes us meditate on the effect, responsibility, and role newspapers play in guiding collective life. As Esteban Pineda wisely said, it is not only the government's but everyone's responsibility to help the country finally overcome the current crisis, and the media definitely play a vital role.

Caldera added: The transmission of faith in Venezuela and the necessary optimism to overcome the obstacles that come across our destiny, the transmission of positive signals to encourage private initiative and a favorable climate for investments, not only by foreign investors but, more importantly, by local investors, the possibility of reporting without lying, of transmitting only the truth are favorable signs. Those signs lead us to believe Venezuela is on the path toward its effective economic and social development. Undoubtedly this point is to a large extent the result of the responsible and patriotic attitude the media have adopted.

Caldera said this situation is what encourages and maintains the democratic system, because this political system has made Venezuela advance despite its mistakes.

The influence of PANORAMA not only in Zulia and western Venezuela but throughout the country is undoubtedly a very important factor; therefore, we celebrate with Zulia, and Venezuela is present here around its owners, employees, directors and workers to encourage them to continue doing their work. We encourage them to do their part in this task, which is everyone's responsibility and which can only be accomplished through collective efforts and solidarity. We are calling for and demanding that solidarity among all Venezuelans day after day. "We must stress the positive factors that make Venezuela a privileged country. We

must develop its possibilities, interpret its real dimensions, and adopt common actions toward a solid, positive image based on reality. We will overcome in that manner, as I said before, the obstacles that could still come across our destiny," Caldera said.

### Roundup of Economic Developments

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[FBIS Editorial Report] The following is a compilation of reports on economic developments monitored through 5 December.

According to a 2 December, Caracas-dated report, Venezuela negotiated with the Andean Development Corporation (CAF) an agreement to pay pending debts for \$42 million and a \$62 million loan for the Caracas metro, CAF president Enrique Garcia reported on Friday. Garcia met with the industry and commerce minister and with the president of the Administrative Exchange Board to establish a mechanism to speed up the payment of debts with the CAF, the financial branch of the Andean Pact. (Paris AFP in Spanish 2122 GMT 2 Dec 94)

Venezuela will be required to make an initial contribution of \$7 million to become a new nonregional member of the Central American Bank of Economic Integration, BCIE. BCIE President Jose Manuel Pacas explained that nonregional members will enjoy the same benefits received by the five Central American nations that founded the financial institution. (Caracas EL GLOBO in Spanish 30 Nov 94 p 11)

According to the annual report from the Inter-American Investment Corporation, Venezuela received a \$10 million loan for projects to promote nontraditional exports. The first project will receive \$3 million and is directed at exporting wood to the Caribbean and Central America; the second project will receive \$3 million to promote the export of special valves for use in the petroleum industry; and the third project will receive \$3 million to establish a private telecommunications system in Caracas to be linked to Venezuelan and Colombian communications services. (Caracas EL NACIONAL in Spanish 1 Dec 94 p E-14)

Edgar Rasquin, plant manager of the Maraven (a subsidiary of Venezuelan Petroleum, PDVSA) packing plant in Cardon, said lubricant sales abroad are expected to reach \$5.6 million by year's end. The sales are the result of a marketing program targeting 18 nations, including Colombia, Ecuador, Bolivia, Chile, Curacao, Trinidad, Dominican Republic, Uruguay, Paraguay, and Guatemala. (Caracas REPORTE DE LA ECONOMIA in Spanish 1 Dec 94 p 18)

According to a 1 December, Caracas-dated report, PDVSA could put up for international bid one-third of the 10 areas where light, medium, and heavy crude are extracted, reported Alan Viergutz, a petroleum expert

and congressional adviser on petroleum matters. Revenues from this sale could reach \$11.2 billion per area, and those with high potential for light and medium crude extraction could be sold on the future's market for \$7 per barrel. (Mexico City NOTIMEX in Spanish 2048 GMT 1 Dec 94)

The aluminum division of Venezuelan Guayana Corporation (CVG)-Bauxilum reached its highest production rate with 35,579 metric tons of metal. (Caracas REPORTE DE LA ECONOMIA in Spanish 2 Dec 94 p 11)

President Rafael Caldera has announced that the energy minister will temporarily hold the CVG presidency. (Caracas Union Radio Network in Spanish 2200 GMT 4 Dec 94)

According to a 2 December, Caracas-dated report, the Central Bank of Venezuela has reported that the cumulative inflation rate from January to November was 65 percent. December's inflation rate is expected to be 4.3 percent by the end of the month. (Paris AFP in Spanish 1732 GMT 2 Dec 94)

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